An Echo ~ Iran Trade and Industry Publication

SUPPLEMENT NO.200. March 1973

I.L.O.
TEHERAN
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THE 5th PLAN

Rls. 500

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TABLE OF CONTENTS

Chapter I	Basic Aims, Policies and Objectives	3
Chapter II	Quantitative Targets and Financial Plan	7
Chapter III	Manpower and Employment	12
Chapter IV	Regional Development	16
Chapter V	Protection of the Environment	19
Chapter VI	Fuel and Power	20
Chapter VII	Agriculture and Stockbreeding	23
Chapter VIII	Development of Water Resources	27
Chapter IX	Industry	32
Chapter X	Mining	41
Chapter XI	Petroleum	43
Chapter XII	Gas	45
Chapter XIII	Electricity	47
Chapter XIV	Transport and Communication	51
Chapter XV	Telecommunication	60
Chapter XVI	Rural Development	63
Chapter XVII	Urban Development	66
Chapter XVIII	Government Building	70
Chapter XIX	Housing	73
Chapter XX	Education	77
Chapter XXI	Arts and Culture	
Chapter XXII	Tourism	84
Chapter XXIII	Health, Sanitation and Birth Control	86
Chapter XXIV	Social Welfare and Security	90
Chapter XXV	Physical Culture, Youth and Scouting	95
Chapter XXVI	Statistics and Studies	97

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CHAPTER I

BASIC AIMS, POLICIES AND OVERALL COURSES OF THE FIFTH PLAN

INTRODUCTION

The sustained economic growth and the deep social changes of the past ten years have rapidly ushered the Iranian society in the economic and social development stages; and during this progress new horizons and opportunities open before Iran. At the same time this raises the question of complete readiness to face more complex issues.

The experience of other countries — whether developing or developed — show that the rapid growth of national income does not necessarily always mean a fairer distribution of income among the various strata of the society. However, thanks to the socio-economic revolution of Iran, not only has the per capita income risen rapidly, but long strides have been taken towards the more just distribution of wealth. As the Shahanshah Aryamehr pointed out in the Speech from the Throne during the opening of the new session of Parliament: "Our policy in the Fifth Plan is particularly based on the two principles of agricultural development and expansion of social welfare, so that by implementing this Plan, living standards especially of the under-privileged classes will rise and at the same time every Iranian will feel that he has contributed his share to the advancement of his community and to the affairs of his country".

1. Basic Objectives of the Fifth Plan

Within the framework of the above philosophy, the basic aims and objectives of the Fifth Plan, will be in the following order of priority:

a) To raise as much as possible the level of knowledge, culture, health and welfare of the society.

b) To attain a fairer distribution of national income, with special attention to the more rapid rise in the living standard and welfare of the under-privileged groups.

c) To maintain the rapid and sustained rate of economic growth parallel with relative price stability and balance of foreign payments.

d) To provide productive employment in all regions of the country at a level absorbing all the new manpower joining the labour market, and substantially reducing concealed or seasonal unemployment.

e) To establish greater balance in economic and social terms among the various regions of the country.

f) To fully operate the established production capacities built under the previous development plans; and to raise productivity and efficiency in the supply of goods and services in the public and private sectors.

g) To improve the administrative order in keeping with the lofty national aims and objectives; and to strengthen the country's defence capacity.

h) To protect, improve and revitalise the living environment.

i) To increase Iran's share in international trade and to establish greater presence of Iran on new world markets, with due regard to the newly-acquired specialisation of Iran in industry.

To attain these objectives, three basic principles shall be the keynote of all socio-economic policies of the Fifth Plan.

First — planning discipline must be carefully observed, similar to military discipline, by all government organisations and establishments.

Second — a revolutionary spirit of thrift and economy, and a campaign against luxury, must govern as a national attitude, all the expenditures of government funds and also the people's way of life. This requires creating new mental approach and social values coupled with special laws and regulations that would prevent luxury spending a and wastage of national assets.

Third — The aims and objectives of the Plan should be constantly defended which should not be altered except when dictated by the higher interests of the state.

2. Overall Social and Economic Policies and Courses

To attain the higher objectives of the Plan, apart from the projected investment, it would be necessary to create conditions which are defined as follows in the Plan in the form of overall policies and courses in such matters as population, distribution of income, investment method, increase in domestic allocations and utilisation of foreign credits, price stability, consumer protection, finance and budgeting, administration, increased productivity of state-owned profit-making establishments, and mass communication.

2.1 POPULATION

The aim is to reduce the annual rate of population growth by about half the present level by the end of 1370 (1991-92). The aim of the Fifth Plan is to reduce the rate of population increase from 31 per

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thousand in 1351 to 26 per thousand by the end of the Plan. Among the major factors in such a reduction will be improved income and welfare of the low-income classes in urban centres, expansion of health and family planning network and the increased part played by members of the revolutionary corps in introducing and spreading the use of new and effective family planning methods.

2.2 DISTRIBUTION OF INCOME

The following policies have been taken into consideration in preparing the Plan:

- creating productive employment for the new manpower joining the labour market; and converting existing non-productive jobs to productive ones.
- greater government capital investment in such social affairs as housing, education, health, sanitation, welfare, and improved nutrition for under-privileged groups.
- raising agricultural yield, guaranteeing minimum farm prices, and supplying credit, seeds, chemical fertilisers and other basics at low prices.
- stressing the increase of the number of agricultural, industrial, tourist and cultural poles (centres) throughout the country.
- expanding small industries in villages and small towns.
- adopting a regional development policy in a manner to gradually narrow the socio-economic growth gap among various regions of the country.
- emphasising the policy of decentralisation of administrative services.
- stressing the rise in the technical and vocational training of workers and farmers.
- greater absorption of manpower from agriculture by other sectors of the economic such as industry and services.
- determining the minimum wage on the basis of needs or the per capita gross production.
- continuing and expanding the sale of shares in manufacturing establishments to their workers and employees.

2.3 INVESTMENT

The specific policies are as follows:

- raising the rate of transfer of financial resources from the public to the private sector as loans.
- encouraging private investors to invest in small, labour-intensive industries.
- emphasis on attracting foreign capital in productive fields and in those fields in which Iran can find access to highly advanced technology and reliable foreign markets, or those yielding positive results in terms of domestic value-added, creating jobs, and increasing the skills and know-how of the Iranian employees.
- In connection with government investment out of development funds of the Fifth Plan, in view of the special emphasis placed by the Plan on agricultural, industrial and social development, the Plan has undergone noticeable changes in comparison with the Fourth Plan. It shows an increase of more than four times in agricultural allocations, and approximately five times in social allocations whereas the total funds of the Fifth Plan is only about 2.8 times greater than that of the Fourth Plan. In the social sections, importance has been attached primarily to education, followed by housing, health, sanitation, and nutrition. The stress on the social plans will in no way hinder increased investment in productive activities, as the total development allocations for productive activities has risen more than twice the amount in the Fourth Plan. Among the productive sections, agriculture, water, industry and mining, power and fuel are important in that order.

2.4 BANK CREDITS

The following policies are under consideration for credits from domestic banks and loans and credits from abroad:

- maximum utilisation of private savings through the sale of loan bonds.
- expansion of the bank credits in proportion to the capital requirements of the agricultural, industrial and housing sectors and other economic activities with due regard to the need to maintain relative price stability and balance of foreign payments.
- emphasis on long-term foreign loans, avoiding short-term loans in order to prevent an increase in repayments of such loans in the coming years.

2.5 PRICES

The following policies will be applied:

- preserving relative price stability by regulating financial policies and the credit and foreign trade policies of the government. In implementing the policy of preserving relative price stability, the Government will strongly fight any unreasonable increase in prices.
- adopting measures necessary to improve the relationship between agricultural produce and manufactured goods in favour of the farmers.

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- where goods or services are provided exclusively — by law or in practice — by government or private establishments (such as telephones, electricity, transport, water, tobacco, automobiles, televisions, etc.) the Government will establish one or more competent Government boards which will determine prices and sale condition and will control quality directly.

2.6 CONSUMER PROTECTION

The following policies will be applied to protect the interests of consumers:

- consumers will be given reliable information about the quality of manufactured goods and the price of similar products.
- existing laws will be amended, and if necessary, new laws will be promulgated, to govern supply of goods and services, for punishment of those who deceive consumers or endanger their health and safety.
- research institutes and laboratories will be increased and expanded to test product quality and to standardise them.

2.7 GOVERNMENT FISCAL AND BUDGET COURSE

In view of the expansion of government services and the need to reinforce the defence forces and to improve the condition of civil servants, the Government's fiscal and budget course during the Fifth Plan has been determined as follows:

- continued effort will be made to mobilise financial resources and to improve tax collection system.
- increasing the efficiency and profitability of government profit-making companies and establishments to obtain more income for the national budget, will be emphasised.
- the normal and development budgets will be amalgamated and harmonised so that all the annual allocations from the national budget to any government establishment allocated for its current and capital needs, will be carefully studied at the same time and in one place, and in practice a strong supervisory system will be created to oversee the implementation of the national budget.

2.8 ADMINISTRATIVE REVOLUTION

The full implementation of the administrative revolution will be the most important administrative policy of the country, of which the following principles will form the basis of government action:

- avoiding congestion and centralisation of the administrative staff in the capital city by gradually limiting the central administrative staff to those who discharge head-office responsibilities and by dividing the remaining government staff among the cities and towns in proportion to their volume of executive tasks and local requirements, coupled with the grant of greater authority to the heads of provincial, city and town offices.
- raising the level of knowledge and administrative and technical skills of government employees.
- general application of proper use of computers in government agencies as a means of proper decision-making and management and of expediting people's work.
- in connection with salaries and allowances for government employees it has been suggested that equal pay should be given for equal work, and that a reasonable ratio be established between the maximum and minimum salaries. Also, in view of the increased per capita income in the country, proportional alternations should also be made in the salaries and allowances of government employees.
- welfare for government employees, especially through consumer and housing co-operatives.
- review of service regulations to rectify the existing tendency towards academic degrees obtained purely to obtain employment or attain higher grades in administration. The purpose is to make scientific competence, skill and experience as the basic criteria in employment and promotion and that educational degrees would be considered only as one of the factors to be used for employment and promotion.
- in the case of profit-making establishments, in the first place special emphasis will be placed on short-term management training courses for their heads; and in the second place the establishments will be required to employ modern accounting methods and to regularly publish their balance sheets and profit and loss account as well as their operational reports.

2.9 MASS COMMUNICATION

In view of the noticeable effects of the media of mass communication in forming public opinion, and especially those of children and youths, a comprehensive and careful plan will seek to use all such media to attain the following targets:

a) strengthening the national, ethnic, and cultural unity, and establishing greater mental contact between. the authorities and the general public concerning major economic, social and cultural policies.

b) establishing incentives among the people to accept new ideas.

c) creating belief in discipline, perseverance and professional ethics, and preparing the public to discharge their social duties and to prepare them, especially the youths, to actively participate in development affairs.

All democratic and progress organisations in the country such as village, town, city and provincial councils, the Universal Welfare Legion, the revolutionary corps will be used in order to encourage public participation and to mobilise the youths in the preparation and implementation of development projects during the Fifth Plan.

CHAPTER II
QUANTITATIVE TARGETS AND FINANCIAL PLAN

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1. Quantitative Targets

The GNP is projected to rise at the annual rate of 15.3% at current prices, from about 1,149 billion rials at the end of the Fourth Plan to around 2,345 billion rials at the end of the Fifth Plan. During this period, GDP (Gross Domestic Production) will rise from about 1,226 billion rials to around 2,499 billion rials.

Since in the same period the country's population is expected to rise from the present 31.2 million to around 36 million, the per capita GNP will rise from about 36,800 rials ($481) in 1351 to around 65,100 rials ($851) in 1356. The per capita GDP will rise from 39,300 rials ($513) at the end of the Fourth Plan to around 69,400 rials ($907) at the end of the Fifth Plan.

Table 1 shows the components of the GNP during the Fifth Plan. Table 2 shows the mean growth targets for the value-added of each major sector at 1351 constant prices. This shows an annual growth rate of 11.4% for GDP. Table 3 shows the share of various sectors in the GDP at the end of the Fifth Plan, comparing them to the corresponding figures at the end of the Third and Fourth Plans.

TABLE 2
VALUE-ADDED OF MAJOR SECTORS AT THE 1351 CONSTANT PRICES
(Figures in billions of rials)

Sector	1351 (1972-3)	1356 (1977-8)	Annual Growth
Agriculture	203.0*	265.0*	5.5%
Oil	317.0	554.0	11.8%
Industry & Mining	240.5	489.0	15.0%
Manufacturing and Mining	(165.0)	(336.0)	15.3%
Construction	(56.0)	(103.0)	13.0%
Water	(2.7)	(4.7)	12.0%
Power	(16.8)	(45.3)	22.0%
Services	465.5	802.0	11.5%
Total	1,226.0	2,110.0	11.4%

TABLE 1
GNP AND GDP AT CURRENT PRICES
(Figures in billions of rials)

	1346	1351	1356	Mean Changes During the Fourth Plan	Mean Annual Changes During the Fifth Plan
1. Consumer Expenditure:	457	902	1,736	14.5%	14.0%
a) Private Sector	(371)	(683)	(1,256)	(13.0%)	(13.0%)
b) Public Sector	(86)	(219)	(480)	(20.0%)	(17.0%)
2. GDP Fixed Investment:	119	254	645	16.3%	20.0%
a) Private Sector	(61.7)	(100)	(220)	(8.1%)	(17.0%)
b) Public Sector	(57.3)	(154)	(425)	(23.1%)	(22.0%)
3. Balance of Payments Current Account	–20	–7	–36	–	–
4. GNP (at market prices)	556	1,149	2,345	15.6%	15.3%
5. GDP (at component prices)	564	1,226	2,499	16.7%	15.4%
6. Population (millions)	26.8	31.2	36.0	3.0%	2.9%
7. Per Capita GNP (US$)	271	481	851	12.2%	12.1%
8. Per Capita GDP (US$)	275	513	907	13.3%	12.1%

TABLE 3
SHARE OF PRODUCTION COMPONENTS IN GDP AT CONSTANT PRICES

	1346	1351	1356
1. Agriculture	21.0%	16.6%	12.5%
2. Oil	24.0%	25.4%	26.3%
3. Industry & Mining	20.0%	20.0%	23.2%
4. Services	35.0%	38.0%	38.0%
Total	100.0%	100.0%	100.0%

1.2 INVESTMENT

To attain the above targets, it is necessary to make fixed investments amounting to 2,460 billion rials ($32.2 billion). Of this, about 1,548 billion rials will be the fixed investment by the public sector and 192 billion rials by the private sector. The ratio of GDP fixed investment to GNP will rise from 22% at the end of the Fourth Plan to over 27% by the end of the Fifth Plan. The ratio of national saving to GNP will rise in the same period from 21.5% to around 26%.

Some of the Government commercial and profit-making establishments have acquired greater financial resources as a result of past investments as a result of which they are expected to make fixed investments directly amounting to approximately 316 billion rials out of the total public sector investment of 1,548 billion rials. The remaining 1,232 billion rials will come out of development allocations. A total of 212 billion rials will be made in non-fixed investment (to operate the above-mentioned fixed investment and to provide for other economic and social activities of the government which are not in the nature of fixed investment). A total of 116 billion rials is provided for transfer from the public sector to the private sector as loans to be extended to private enterprise through banks and other credit institutions. All this raises the total development funds during the Fifth Plan to around 1,560 billion rials, or 270% of the Fourth Plan allocations.

Table 4 shows the distribution of fixed investment among the various sectors during the Fifth Plan.

1.3 FOREIGN EXCHANGE

Current foreign exchange receipts during the Fifth Plan will total around $27.7 billion, which is more than 260% of the total receipts during the Fourth Plan. Of this, about $22 billion (or 78%) will come from the oil sector, $3.7 billion (or 14%) from non-oil exports and the remaining $2 billion (or 8%) from invisible exports (i.e. services).

Details of some other major items are as ollows:

Gas Exports	$340.0 million
Petrochemicals	$104.0 million
Copper Exports	$50.0 million
Aluminium	$42.0 million
Manufactured Goods	$1,400.0 million*
"Traditional" Exports	$1,760.0 million**

* 30% annual increase
** 12% annual increase

TABLE 5
SUMMARY OF FOREIGN BALANCE PAYMENTS
(Figures in millions of dollars)

1.	**Current Receipts (Total)**	**$27 701**
	a) Oil Revenues	$22,050
	b) Other Exports	$ 3,698
	c) Invisible Exports	$ 1,953
2.	**Current Payments (Total)**	**$30,508**
	a) Imports	$25,821
	b) Non-Banking G[illegible]	$ 41
	c) Payment for Services	$ 3,439
	d) Repayment of Debts and Accrued Interest	$ 1,207
3.	**Balance of Current Accounts**	**$ 2,807**
4.	**Capital Account Receipts (Total)**	**$ 8,243**
	a) Foreign loans by the Government Sector	$ 7,793
	b) Other loans and private capital from foreign sources	$ 450
5.	**Capital Account Payments (Total)**	**$ 4,661**
	a) Amortisation of foreign debts and credits	$ 3,907
	b) Investment abroad, and repayment of foreign private debts	$ 754
6.	**Balance of Capital Accounts**	**$ 3,582**
7.	**Balance of Foreign Payments (Net)**	**$ 775**

2. Government Financial Plan

2.1 RECEIPTS

Total Government receipts have been projected during the Fifth Plan to amount to about 3,344 billion rials of which 47.2 per cent will come from oil, 23.5 per cent from direct and indirect taxes; 13 per cent from foreign loans, 11 per cent from banks and sale of loan bonds and 5.3 per cent from other sources, as follows:

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First oil revenues are projected to rise 16.7 per cent and will total 1,577 billion rials. This will be three times the oil revenues during the Fourth Plan.

Second direct taxes will rise by about 21 per cent a year, rising to 350 billion rials. This projection is based on increased national income leading to higher revenues.

Third indirect taxes will be expected to rise by 15 per cent a year to around 438 billion rials.

Fourth other government incomes, including those derived from monopolies, are projected to rise at 10 per cent a year to a total of about 130 billion rials.

Fifth foreign loans and credits utilised during the Fifth Plan are expected to amount to 432 billion rials.

Sixth net utilisation of bank credits and sale of loan bonds to banks will realise 310 billion rials.

Seventh net sale of loan bonds to other buyers will realise 54.5 billion rials.

2.2 PAYMENTS

Total Government payments during the Fifth Plan are projected at about 3,344 billion rials. This includes normal government expenditures as well. These expenditures amount to 49.5 per cent of the total figure of which 46.7 per cent will go towards development and the other 3.8 per cent for amortisation of foreign debts. Details of the expenditures are as follows:

First normal government expenditure will rise at the annual rate of 13.7 per cent and will total 1,654.6 billion rials. Of this 1,498.6 billion

TABLE 4
FIFTH PLAN FIXED INVESTMENT
(Figures in billions of rials)

Sector	Public Sector			Private Sector			Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Agriculture	93.0	9.6	102.6	22.0	28.0	50.0	152.6
2. Water	104.0	5.0	109.0	2.0	2.0	4.0	113.0
3. Industry	159.9	15.7	175.6	306.8	20.0	326.8	502.4
4. Mining	44.5	0.3	44.8	3.2	2.0	5.2	50.0
5. Oil	130.2	60.2	190.4	139.7	–	139.7	230.1
6. Gas	29.0	55.5	84.5	47.0	–	47.0	131.5
7. Power	52.8	66.0	118.8	–	–	–	118.8
8. Communication	179.5	7.8	187.8	3.5	0.5	4.0	191.3
9. Telecommunication	32.7	20.7	53.4	–	–	–	53.4
10. Rural Development	36.0	–	36.0	2.5	–	2.5	38.5
11. Urban Development	32.5	28.5	61.0	–	–	–	61.0
12. Government Buildings	90.8	–	90.8	–	–	–	90.8
13. Housing	79.0	15.0	94.0	305.0	3.8	308.8	402.8
14. Education	125.9	–	125.9	1.5	1.1	2.6	128.5
15. Art & Culture	5.0	–	5.0	0.2	0.2	0.4	5.4
16. Tourism	3.9	–	3.9	9.0	3.2	12.2	16.1
17. Health, Medical Service and Nutrition	18.7	1.3	20.0	4.2	5.0	9.2	29.2
18. Public Welfare	5.5	–	5.5	–	–	–	5.5
19. Physical Training and Scouting	8.7	–	8.7	–	–	–	8.7
20. Statistics & Studies	0.7	–	0.7	–	–	–	0.7
21. Others	–	30.1	30.1	–	–	–	30.1
Total	1,232.3	315.7	1,548.0	846.6	65.8	912.4	2,460.4

(1) Paid out of development funds
(2) Paid out of the private income of establishments concerned
(3) Total public sector fixed investment (1) + (2)
(4) Paid out of private savings
(5) Paid out of development funds (loaned to private sector)
(6) Total private fixed investment (4) + (5)
(7) Grand Total

rials will go towards normal operations (this covers current maintenance of all economic and social affairs, public affairs and defence) and 92.3 billion rials towards amortisation of foreign debts. The remaining 63.9 billion rials will go towards amortisation of domestic debts.

Second development expenditures of the Fifth Plan grow at the mean annual rate of about 22.6 per cent, to a total of 1,560 billion rials, of which about 1,298 billion rials will be for fixed investment and 162 billion rials for non-fixed investment expenditures.

Repayment of foreign loans and credits are estimated at 129.4 billion rials. Tables 6 and 7 show the state of Government finance during the Fifth Plan.

TABLE 6
PROJECTION OF THE GOVERNMENT FINANCIAL POSITION
(Figures in billions of rials)

RECEIPTS	
1. Oil	1,577.4
2. Direct Taxes	350.5
3. Indirect Taxes	438.1
4. Miscellaneous Items	50.0
5. Other Incomes	130.1
6. Foreign Loans	433.4
7. Bank Credits (Net)	310.0
8. Loan Bonds (Net)	54.5
Total	3,344.0
PAYMENTS	
1. Normal Government Expenditure	1,654.6
a) a) Normal Expenditure	(1,498.4)
b) Interest on Foreign Loans	(92.3)
c) Interest on domestic Loans	(63.9)
2. Development Expenditure	1,560.0
3. Amortisation of foreign loans and credits	129.4
Total	2,344.0

Table 8 (introduced in Parliament) shows the annual distribution of the development funds.

Table 8
ANNUAL ALLOCATION OF FUNDS
(Figures in billions of rials)

Year	Allocation
1352	Rls. 210
1353	Rls. 250
1354	Rls. 305
1355	Rls. 360
1356	Rls. 435

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TABLE 7
DISTRIBUTION OF GOVERNMENT FUNDS
(Figures in Billions of Rials)

		Current Operations Allocations (1)	Development Allocation			Total 5 (1 + 4)
			Fixed (2)	Non-Fixed (3)	Total 4 (2 +3)	
1.	Agriculture	58.9	121.0	87.0	208.0	266.9
2.	Water	2.7	106.0	2.0	108.0	110.7
3.	Industry	10.6	179.9	4.0	183.9	194.5
4.	Mining	0.9	46.5	–	46.5	47.4
5.	Oil	–	130.2	0.5	130.7	130.7
6.	Gas	–	29.0	–	29.0	29.0
7.	Power	1.0	52.8	0.7	53.5	54.5
8.	Communication	20.2	180.0	–	180.0	200.2
9.	Telecommunication	18.2	32.7	8.5	41.2	59.4
10.	Rural Development	1.8	36.0	–	36.0	37.8
11.	Urban Development	0.8	32.5	0.5	33.0	33.8
12.	Government Construction	0.4	90.8	–	90.8	91.2
13.	Housing	0.4	82.8	–	82.8	83.2
14.	Education	175.0	127.0	103.0	230.0	405.0
15.	Arts and Culture	6.5	5.2	4.2	9.4	15.9
16.	Tourism	1.3	7.1	0.6	7.7	9.0
17.	Health, Medical Services and Nutrition	64.5	23.7	28.3	52.0	116.5
18.	Public Welfare	38.5	5.5	10.5	16.0	54.5
19.	Physical Training and Scouting	20.9	8.7	1.3	10.0	30.9
20.	Statistics and Studies	10.5	0.7	5.5	6.2	16.7
21.	Regional Development General Services	0.6	–	5.3	5.3	5.9
Total		423.7	1,298.1*	261.9**	1,560.0***	1,993.7

* Includes 65.8 billion rials transferred as loan to the private sector.

** Includes 50 billion rials transferred as loan to the private sector.

*** Includes 115.8 billion rials transferred as loan to the private sector.

CHAPTER III

MANPOWER AND EMPLOYMENT

1. Population

A number of factors, such as increased urbanisation and literacy, implementation of development plans and family planning, and a higher living standard, will reduce the rate of population increase from the present 3.1 per cent to 2.6 per cent. The mean annual increase for the five year period will be around 2.9 per cent. and the country's population will rise from 31.2 million in 1351 (1972-73) to about 36 million in 1356 (1977-78).

There will be no structural change in the age pattern of the population during the Fifth Plan, with the young group (under 15 years of age) constituting 45 per cent of the total population — as compared with less than 33 per cent in the industrial nations.

TABLE 1
POPULATION CHANGES IN THE FIFTh PLAN
(Figures in thousand persons)

Year	Men	Women	Total
1351	15,959	15,210	31,169
1352	16,451	15,684	32,135
1353	16,937	16,152	33,099
1354	17,437	16,655	34,092
1355	17,917	17,129	35,047
1356	18,383	17,574	35,957

TABLE 2
POPULATION (AGE GROUP)
(Figures in thousand persons)

	1351		1356	
	Population	%	Population	%
Under 15 years	14,184	45.5%	16,105	44.8%
15 to 64	16,184	51.9%	18,896	52.5%
Over 65	801	2.6%	956	2.7%

2. URBANISATION

The rapid economic growth of the country, especially its industrialisation in recent years, has accelerated the rate of urbanisation, while some villages have also developed in population and economic activiti activities to become small towns. During the Fifth Plan, the rate of growth of the urban population will be around 5 per cent, and the rural population 1.2 per cent. Consequently during the five years the urban population will rise from 13.2 million in 1351 to around 17 million in 1356; its percentage to the total population from 42.5 per cent to 47.2 per cent.

TABLE 3
URBAN AND RURAL POPULATION
(Figures in thousand persons)

Year	Urban Population			Rural Population		
	Total	Men	Women	Total	Men	Women
1351	13,247	6,891	6,356	17,922	9,068	8,854
1352	13,965	7,263	6,702	18,170	9,183	8,987
1353	14,696	7,644	7,052	18,403	9,292	9,111
1354	15,457	8,040	7,417	18,635	9,396	9,239
1355	16,216	8,434	7,782	18,830	9,480	9,350
1356	16,972	8,831	8,141	18,985	9,549	9,436

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3. ACTIVE POPULATION

The percentage of the economically active population to the entire population will drop from 29.5 per cent in 1351 to 29.4 per cent in 1356, while the percentage of the active population (above the age of 10 years) also drops from 44.1 per cent to 43.4 per cent. The active population will rise from 9.2 million to 10.6 million, as shown in the following table:

TABLE 4

ACTIVE POPULATION IN THE FIFTH PLAN

(Figures in thousand persons)

	1351	1356	Change
Active Population (10 years and over)	20,876	24,412	+3,536
Economically Active Population	9,197	10,600	+1,403
Percentage of economically active to the total active population	44.1%	43.4%	–0.7

The percentage of active men will drop from 48.8 per cent to 47.7 per cent in 1356 – mainly because of increased school attendance at all levels. On the other hand, the percentage of active women will rise from 13.8 per cent to 15.2 per cent in the same period. This will be due to more literacy and urbanisation and higher marriage age among women in urban centres.

4. Overall Policies

The manpower objectives and courses during the Fifth Plan will be as follows:

a) to create the maximum job opportunities for the job-seeking population

b) to gradually convert non-productive to productive jobs, part-time to full-time

c) to create possibilities for greater and more desirable manpower mobility

d) to adapt wage and earning levels of workers to that of the national income.

The government will use various tools at its disposal (credit, financial, tax, commercial, etc.) to attain the above objectives through investment in all sectors, especially in industry, agriculture, road construction, etc.

5. Specific Targets

5.1 Agriculture at present 3.6 million persons and accounts for the largest group of employment (about 40 per cent of the total labour force). There will not be much change in this group, though the number of persons employed in non-productive jobs will be reduced by about 300,000, while those in productive jobs will increase by about the same amount.

5.2 Manufacturing (industry) and mining will provide about 760,000 additional jobs.

5.3 The building industry (construction) will also offer about 320,000 additional jobs.

5.4 The services will offer some 400,000 new job opportunities; while absorbing full-time productive jobs around 100,000 persons who are now engaged in part-time non-productive work. Thus, the Fifth Plan will provide some 1.8 million new jobs of which about 1.4 million jobs will be for those who join the labour market, the remaining for those who are now engaged in part-time or non-productive employment.

NOTE – For further details about composition of the labour market see the Summary of the Fifth Plan.

6. Supply and Demand of Skills

Mobilising the manpower resources of the country to make the maximum use of available and trained skills constitutes a major objective of the Fifth Plan. Over 20 per cent of the new jobs created under the Fifth Plan will require trained skills and expertise. By the end of the Plan, the skilled labour force will constitute 6 per cent of the total labour force. This will will be composed of some 23,000 engineers, about 16,000 doctors, surgeons and similar medical workers, about 190,000 teachers, and some 60,000 different technicians.

In addition to the above, industry will need some 200,000 skilled workers and over 100,000 semi-skilled ones. The following table shows the changes in skilled workers and professional groups at the beginning and end of the Plan:

TABLE 5
EMPLOYMENT BY SECTOR
(Figures in thousand persons)

Sector	1351		1356		Fifth Plan New Opportunities
	Number	Percentage	Number	Percentage	
Agriculture	3,659	40.1%	3,600	34.1%	– 59
Oil	50	0.5%	50	0.5%	–
Industry and Mining	2,680	29.4%	3,770	35.7%	+ 1,090
(Manufacturing and Mining)	(1,890)	(20.7%)	(2,650)	(25.1%)	+ (760)
(Construction)	(710)	(7.8%)	(1,030)	(9.7%)	+ (760)
(Water, Power, Gas)	(80)	(0.9%)	(90)	(0.9%)	+ (10)
Services	2,740	30.0%	3,140	29.7%	+ 400
Total	9,129	100%	10,560	100%	+ 1,431

7. Employment Policy

7.1 THE LABOUR MARKET

Labour exchange offices will be set up in provincial and regional centres to compile data and statistics about labour and employment, and particulars of job seekers will be collected in order to help greater employment. Adjacent to major labour exchanges, especially in labour centres, the Ministry of Labour and Social Affairs will set up vocational schools concentrating on short course training.

7.2 UNEMPLOYMENT FUND

To protect workers against unemployment, technological or other redundancies, an unemployment fund will be established with the tripartite participation of the Government, Employers and Workers. Preparations for the setting up of the fund will be completed and a unit attached to the Employment Exchange of the Ministry of Labour will be set up to follow up on this and to extend unemployment insurance.

7.3 NATIONAL LABOUR DIRECTORY

A national labour directory will be compiled as a guide to job-seekers and various graduates.

7.4 WOMEN

Priorities and incentives will be provided to increase women employment, especially in certain fields such as teaching.

7.5 Special stress will be placed on statistics in order to compile helpful data. Labour statistics to be compiled will include manpower statistics, wage and working-hour statistics, and will be undertaken by the Ministry of Labour.

8. Wage Policy

Wages will be considered as a major social policy factor during the Fifth Plan. Efforts will be made to raise the share of wages in the total national income, and to raise wages in the light of minimum living and welfare requirements. Lower wages will be raised higher in order to introduce a better wage equilibrium and distribution of income based on accurate statistics and on conditions in each region, as well as on productivity.

The minimum wages will be reviewed every year, instead of the present alternate years.

Workers' profit-sharing in the net profits of their factories, and also the programme of sale of factory shares to their own workers and staff, will be spread during the Fifth Plan in order to raise earnings and productivity.

A "Wages and Earning Board" composed of the Minister of Labour and Social Affairs, the Minister of Economy, the Minister of State in charge of Administrative Affairs and Employment, the Director of the Plan Organisation, and the Governor of the Central Bank of Iran, will be formed to draft a national wage and income policy and to continually review the policy. Its decisions will be enforced when approved by the cabinet.

9. Vocational Training

The Ministry of Labour and Social Affairs will supervise vocational training for adult workers. Training programmes and apprentice training courses will be reviewed to provide all workers with an opportunity for higher skills but arrangements will be made for workers to be re-employed if they interrupt their work to attain better skills or other vocations. Special attention will be paid to the setting up of vocational schools in economically backward regions of the country.

TABLE 6
CHANGES IN SKILLS AND PROFESSIONS
(Figures in thousand persons)

Skills and Professions	1351	1356	Change
Technical, scientific and professional personnel	423	706	+283
Directors, executives and administrators	22	46	+24
Administrative personnel	240	325	+85
Sales personnel	718	883	+165
Farmers, stockbreeders, fishermen and forestrymen	3,620	3,570	–50
Miners and quarrymen	18	54	+36
Transport Workers	1,211	1,252	+41
Production workers and artisans	1,819	2,581	+762
Service Personnel	1,058	1,143	+85
Total	9,129	10,560	+1,431

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CHAPTER IV

REGIONAL DEVELOPMENT

INTRODUCTION

With the rapid economic development of the country during the past decade national economy on the one hand rapidly entered a new and more advanced stage and on the other hand brought about a diversity and extraordinary cohesion in the various sectors. Consequently the need has grown for attention to a more balanced development of all regions of the country and for harmony in the development activities.

A review of the distribution of gross production and development investments in the various regions will show that in some instances the per capita gross production, and the development investments and expenditures have not been in proportion to the population, potentials or the needs of these regions.

The imbalance in the distribution of income and investment among the regions accelerated emigration to more developed regions especially the Tehran province, thus exacerbating urban problems, and at the same time resulted in the failure to fully utilise their natural and economic resources.

In view of the above, towards the end of the Fourth Plan when a valuable opportunity was offered by the celebration of the founding of the Persian Empire, integrated development plans were prepared in order to commemorate the great event by establishing greater social justice and providing for greater public participation in their affairs.

These projects were prepared for each province (ostan) and chief governor's region (farmandary-koll) as an integrated regional development plan embracing education, agriculture, industry, communications, urban, rural and tribal development; health, and environmental improvement. The plans were implemented under the supervision of the governors-general or chief governors.

During the first year of implementation of the integrated plans, on the one hand there was not enough preparation or experience at provincial and chief governors region's levels for carrying out development plans; and on the other hand the rules and regulations governing the projects lacked the flexibility to absorb the funds allocated to the projects.

Nonetheless, of the total 4.5 billion rials allocated to the provinces, more than 90% was utilised. The experiment of carrying out integrated development projects not only gave excellent results in renewal and construction, but also bore the following important socio-economic results:

- the grant of power to local authorities was a positive step towards decentralisation.
- extraordinary vigour and enthusiasm was instilled among local officials which ultimately led to the rapid progress of the projects.
- the implementation of integrated projects created a new executive capacity at provincial and regional levels.
- favourable conditions were created for the provincial and city councils to discharge their tasks. The people and their representatives began, with the formation of these councils, to seriously and effectively participate in determining the destiny of their region.
- implementation of the integrated development projects not only created a relative economic boom in the distant parts of the country but also met the more immediate needs of the regions.
- and finally, more logical criteria were established for the distribution of development funds among the various regions, based on such considerations as population and social and economic requirements.

1. BASIC OBJECTIVES OF REGIONAL DEVELOPMENT

First: to emphasise provision of social services, to create more jobs in regions which have not enjoyed sufficient growth due to shortage of resources and to other natural factors. To meet this objective, social and economic growth targets during the Plan period have been so chosen as to prevent a further widening of the existing gap and to somewhat moderate the individual income gap between various regions by the end of the Fifth Plan.

Second: to co-ordinate development investment and activities of the region both in the project preparation stage and in the execution stage in order to make fuller and better use of the created potentials and of the future investments.

Third: to provide for the greater direct participation by the local authorities and population in regional development and economic affairs.

Fourth: to reduce the rate of emigration, to regulate population movement, and to gradually transform emigration regions to immigration areas.

2. Overall Policies and Courses

To achieve the four above-mentioned aims in the Fifth Plan, the following general policies and course will be effected:

- Investment in special regional plans with strong social

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aspects will be based on such criteria as population, the region's production importance, per capita income, and its potentials for mobilising financial and investment resources. Naturally, distribution of plan allocations and projects of national character will be based on other criteria such as national aims and the productive importance of each region, so arranged that maximum use of the natural potentials and existing resources of each region will be made, with due regard to their relative advantages. Through the application of this policy, the Coastal Province, Kermanshah, Kurdistan and Ilam which were emigration regions during the Fourth Plan will turn – by the end of the Fifth Plan – into immigration regions, especially attracting skilled manpower. (Table 1).

- The resources of each region, agricultural, industrial, tourist and similar centres, will be determined within a general framework; and within such centres the state and quality of water and soil resources will be studied and the priority of their appropriation as agricultural, industrial, mining, residential or urban development activity will be determined in terms of region as well as the national level. At the same time efforts will be made to see that future urban and population centres' expansion programmes are planned with due regard to the regional potentials and resources of the respective regions.

- In order to encourage the private sector to invest in backward regions and use the abundant labour force available in such regions, and to prevent labour emigration to Tehran and other major cities, financial, credit and other incentives will be provided.

- During the Fifth Plan, action will be taken to assign such affairs to local human resources in order to ensure that funds spent in the regions show noticeable and direct effect in creating employment and improving the living conditions of the regions concerned.

TABLE 1
POPULATION AND ACTIVE POPULATION IN PLANNING REGIONS
(Figures in Thousands)

Region	Population		Population Growth (Per cent) 1351-56	Active Population		Per cent of Active Population*		Number of Immigrants 1351-56	Immigration Rate** 1351-56
	1351	1356		1351	1356	1351	1356		
All country	31,169	35,975	2.9	9,197	10,600	44.1	43.4	± 567	± 1.7***
1.	3,721	4,185	2.4	1,201	1,335	49.4	48.0	– 94	–2.4
2.	4,426	4,971	2.4	1,235	1,420	43.3	43.1	–130	–2.8
3.	5,988	7,343	4.2	1,712	2,036	41.5	40.0	+ 421	+ 6.3
4.	2,258	2,540	2.4	638	743	40.5	43.2	– 89	– 3.7
5.	2,604	2,899	2.2	767	872	44.6	44.3	– 93	– 3.4
6.	2,804	3,200	2.7	917	1,033	48.9	47.7	– 35	– 1.2
7.	1,944	2,228	2.8	568	665	43.4	43.4	– 26	– 1.2
8.	1,589	1,803	2.6	472	537	44.4	43.6	– 18	– 1.1
9.	3,059	3,460	2.5	931	1,027	44.9	43.5	– 82	– 2.5
10.	2,047	2,435	2.8	562	679	40.4	40.9	+ 59	+ 2.6
11.	729	911	4.6	193	253	39.8	40.7	+ 87	+ 10.6

* Population aged 10 years and above

** $$\frac{\text{Emigrations from 1351 to 1356}}{\text{Mean Populations of 1351-56 years}}$$

*** – means the region loses emigrants
+ means the region gains immigrants

3. Investment and Special Regional Plans

Special regional investment designed to help attain a more balanced growth of the regions will be expended on the basis of Table 2 out of the allocations made under the economic and social sectors distributed among the following regions:

Development Region	Allocation (billion rials)
1. The Northern Region (Gilan and Mazandaran)	20.2
2. Azerbaijan Region (East and West)	27.0
3. The Central Region (Tehran, Zemnan and Zanjan)	21.1
4. Khuzistan Region (Khuzistan, Kohgiluyeh and Bovir Ahmadi)	9.3
5. Hamadan and Luristan Region	15.3
6. Isfahan Region (Isfahan, Yezd, Char Mahal Bakhtiari)	13.2
7. The Fars Region	10.6
8. Kerman and Zahidan Region (Kerman, Sistan and Baluchistan)	12.6
9. Khorasan Region	17.6
10. The Western Region (Kermanshah, Kurdistan and Ilam)	17.0
11. The Coastal Region (Bandar Abbas and Bushire)	6.1
TOTAL	170.0

Distribution of allocations within each region among various plans such as agriculture, water, industry, power, rural development, etc. will be based on the general criteria and principles of the annual plans.

For every province, a comprehensive and integrated plan composed of various production, and social activities, will be prepared in a coordinatd manner suited to the special conditions of the province and called "the Provincial Development Plan" within the framework of the credit allocations for each region and by the qualitative and quantitative expansion of the exceptional integrated projects carried out during the Fourth Plan.

The allocations of each region will be made according to the annual plan based on the general plans and distributed among various activities.

In the nomadic cattle raising areas, comprehensive measures wil be taken within the framework of the integrated provincial projects, to raise the cattle breeders' income and to improve their welfare.

The ultimate aim of this Plan is to gradually transform the economic life of the nomadic cattle breeders into agricultural-cattle breeding life, and thus to pave the way for their settlement. Under this plan, a number of extension workers will be sent to the nomadic areas after an intense training course.

During the Fifth Plan, some 50 nomadic cattle breeders development projects are estimated to be carried out in Luristan, Kurdistan, Sistan and Baluchistan, Fars, Azerbaijan, Bakhtiari, Kohgilyueh and Bovir Ahmadi. Each of these will cover approximately 2,000 families.

The planning staff and technical staff of the provinces will be strengthened during the Fifth Plan.

TABLE 2
SOURCES OF FUNDS FOR REGIONAL DEVELOPMENT ACCORDING TO CHAPTER

No.	Chapter	Special Regional Projects Fund**	National Projects** Fund	Total Allocations**
1.	Agriculture & Cattlebreeding*	5.0	203.0	208.0
2.	Water	5.0	103.0	108.0
3.	Industry	3.0	180.9	183.9
4.	Mining	–	46.5	46.5
5.	Oil	–	130.7	130.7
6.	Gas	–	29.0	29.0
7.	Electricity	6.5	47.0	53.5
8.	Communication	9.0	171.0	180.0
9.	Telecommunication	–	41.2	41.2
10.	Rural Development	36.0	–	36.0
11.	Urban Development	16.7	16.3	33.0
12.	Government Construction	10.0	80.8	90.8
13.	Housing	24.5	58.3	82.8
14.	Education	40.3	189.7	230.0
15.	Arts & Culture	–	9.4	9.4
16.	Tourism	–	7.7	7.7
17.	Health and Nutrition	5.9	46.1	52.0
18.	Social Welfare	5.0	11.0	16.0
19.	Physical Education & Scouting	3.1	6.9	10.0
20.	Statistics and Studies	–	6.2	6.2
21.	General Services for Regional Development	–	5.3	5.3
	Grand Total	170.0	1,390.0	1,560.0

* *A sum of 4 billion rials out of this total has been allotted to tribal development which will be spent within the framework of the integrated projects.*

** *All figures in million rials.*

CHAPTER V
PROTECTION OF THE ENVIRONMENT

1. Basic Objectives

Protection of the living environment is included for the frist time as a chapter in Iran's development planning. Iran is at a stage of economic development in which it can learn useful lessons from the experience of other countries and take preventive measures before such problems become too serious. The main objectives of this programme is to protect the living environment and ecology, and to encourage the citizens to make proper use of their natural environment.

2. Overall Policies

2.1 GENERAL COURSES

a) Methods which will not affect production appreciably and which will not exert undue pressure on low-income groups will be given priority. Hence it may not be possible to prevent completely the pollution of all natural resources within a short time;

b) priority will also be given to preventive measures involving less expense.

2.2 EXECUTIVE POLICIES

a) In view of the general popularity of natural scenery, a publicity campaign will be undertaken to acquaint the public with the proper use of national parks and other natural places;

b) pricing and tax policies will be so formulated as to require polluters to bear the ultimate cost of prevention of pollution; this would lead to automatic prevention of pollution;

c) special attention will be paid to the possibility of granting financial and technical assistance to the private sector to avoid industrial pollution;

d) a special land use policy will be evolved to govern allocation of land for agricultural, industrial and residential purposes, with a view of preserving suitable land for agriculture and residence, and diverting industry to other lands;

e) since protection of the environment is a new issue, it is most important that proper legislation should be enacted to help protection of the environment along with such other existing laws as the water nationalisation law.

3. Specific Targets

3.1 The specific targets are calculated to protect the ecology, natural beauty, wild life and fish; to fight effects of noise, pesticides, waste, pollution of the seas and coasts as well as internal waters, and the air.

3.2 ORGANISATION

The achievement of these targets require an organisation to constantly control the situation and coordinate various preventive and remedial measures. During the Fifth Plan this task is assigned to the High Council for the Protection of the Environment. The various duties will be divided among relevant government organisations in the light of their capabilities and experience.

4. Allocations

Fund allocations for this purpose amount to 22.2 billion rials which is 2.3 per cent of the total development funds. This amount is provided out of allocations for agriculture, water, urban development and health.

I.L.O. TEHERAN B.I.T.

CHAPTER VI
FUEL AND POWER

INTRODUCTION

Consumption of fuel and power during the Fifth Plan is expected to rise at the rate of 14 per cent per annum from the energy equivalent of 18.1 million cu.m. of kerosene in 1351 (1972-3) to 35 million ci.m. in 1356 (1977-8).

During this period, commercial fuels and power (oil, natural gas, coal and hydroelectric power) consumption will rise at the rate of 14.6 per cent while that of non-commercial fuel (wood, charcoal and animal products) will drop by 8 per cent.

The per capita consumption of fuel and power will rise by a mean annual average of 10.2 per cent from the equivalent energy of 970 litres of kerosene (8.4 million kilo calories) in 1356.

The share of commercial fuels and power in the total consumption will rise from 96.7 per cent in 1351 to 98.8 per cent in 1356. Tables 1 to 4 give details and particulars of such consumption.

TABLE 1
CONSUMPTION OF TYPES OF FUEL POWER

Type of Fuel	1341	1346	1351	1356
Oil (thousand cu.m.)	4,321	7,395	12,584	21,912
Natural Gas (million cu.m.)	1,050	1,366	3,000	8,800
Coal (thousand tons)	227	270	270	783
Hydroelectric power (million KWH)*	79	642	3,400	7,250
Non-Commercial Fuel (equivalent to thousand tons of wood fuel)	3,850	2,430	1,500	1,300

*** Some of the fuels (oil, natural gas and coal) are converted to electric power. The power generated from these fuels were as follows:**

1341	**3,656 million KWH**
1346	**7,460 million KWH**
1351	**21,100 million KWH**

TABLE 2
RATIO OF FUEL AND POWER CONSUMPTION

Type	1341	1346	1351	1356
Oil	60.5%	72.1%	71.0%	64.0%
Natural Gas	15.6%	14.1%	18.0%	27.5%
Coal	2.2%	1.9%	1.1%	1.3%
Hydroelectric Power	0.5%	2.6%	6.6%	6.0%
Total Commercial Fuel and Power	78.8%	90.7%	96.7%	98.8%
Non-Commercial Fuel and Power	21.2%	9.3%	9.3%	1.2%
Total	100.0%	100.0%	100.0%	100.0%

I.L.O. TEHERAN B.I.T.

TABLE 3
FUEL AND POWER CONSUMPTION GROWTH*

Type	1341	1346	1351-1356
Oil	11.4%	11.2%	11.8%
Natural Gas	15.2%	16.9%	24.0%
Coal	6.9%	–	17.5%
Hydroelectric Power	23.0%	34.0%	12.2%
Mean Commercial Fuel and Power Growth	12.7%	12.8%	14.6%
Mean Non-Commercial Fuel and Power Growth	–8.6%	–9.0%	–8.0%
Total Mean Growth	10.9%	11.4%	14.0%

* Consumption growth has been calculated on the basis of thermal value.

TABLE 4
CONSUMPTION OF PRIMARY FUELS AND POWER
A. (BASED ON EQUIVALENT OF THOUSAND CU.M. OF KEROSENE

Type	1341	1346	1351	1356
Oil	4,436	7,600	12,855	22,400
Natural Gas	1,150	1,496	3,269	9,576
Coal	166	201	201	451
Hydroelectric Power	35	279	1,188	2,111
Total Commercial Fuel and Power	5,787	9,576	17,513	34,540
Total Non-Commercial Fuel and Power	1,557	984	611	400
Total	7,344	10,560	18,124	34,940

B. (BASED ON TRILLION KILO CALORIES

Type	1341	1346	1351	1356
Oil	38.4	65.8	11.3	194.0
Natural Gas	9.9	12.9	28.2	82.9
Coal	1.4	1.7	1.7	3.9
Hydroelectric Power	0.3	2.4	10.3	18.3
Total Commercial Fuel and Power	50.0	82.8	151.5	299.1
Total Non-Commercial Fuel and Power	13.5	8.5	5.3	3.5
Total	63.5	91.3	156.8	302.6

1. Supply and Demand

Major changes will occur in the supply and demand of fuels and power during the Fifth Plan:

a) natural gas will emerge as a major source of fuel and power in Iran; its share rising from 18 per cent in 1351 to 27.5 per cent in 1356. This will mean that its consumption will rise by 300 per cent. It will mainly replace other petroleum products. There are a number of reasons for this substitution, including:

- **higher oil production means higher natural gas supply. Unless it is used as fuel, it will have to be burn away;**
- **production and consumption of oil products are not balanced in Iran, with the greater demand for middle products. Natural gas can introduce such a balance;**
- **increased consumption of natural gas will help reduce pollution of the air;**
- **use of natural gas will make it possible to review the pricing of various oil products and thus to harmonise fuel costs with other production costs.**

b) The share of coal — which has dropped in the past decade due to a level demand — will begin to rise, mainly because of increased use of coal for power generation;

c) electric power generation will double during the Fifth Plan, but its percentage in the total power supply will not change;

d) consumption of non-commercial fuels and power will drop to only 1.2 per cent at the end of the Fifth Plan. By the end of the Sixth Plan such fuels may not have a share in the energy economy of the country at all.

e) basic studies will be undertaken during the Fifth Plan to determine the possibility of using nuclear power for electricity generation and sea water desalination.

2. Overall Policies

a) Sustained efforts will be made to increase consumption of natural gas in industrial, domestic and commercial fields, in order to reduce pollution and increase the balanced production of middle distilled oils, thus enabling the construction of simpler oil refineries.

b) An "Energy Council" had been proposed for the Fourth Plan and was formed early in the Fourth Plan period, but did not continue its operation. In view of this unsuccessful experience, a centralised system will be considered to coordinate and implement the fuel and power policies.

c) The supply of natural gas to villages along the Trans-Iranian Gas Pipeline is of utmost social importance but may not be economical; hence investment in this connection should be out of development funds.

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CHAPTER VII
AGRICULTURE AND STOCKBREEDING

1 Basic Objectives

a) To utilise natural resources within the framework of the White Revolution, providing optimum use of the resources while preserving an re-vitalising them;

b) To raise agricultural yield and the per capita income of farmers and farm workers through better farming methods especially on the basis of larger units such as co-operatives, farm corporations, agro-industrial companies, and large meat or dairy farming complexes; to attain an annual increase in agricultural output equal to 5.5 per cent;

c) To reduce low employment in rural areas by developing intense farming, cottage industry, and by encouraging farmers also to raise cattle and to dairy farm.

2. Overall Policies

2.1 FARM OPERATION

The basis of farm operation will be the continuation of land reform. Since the three phases of land reform have been completed, the purpose of the Fifth Plan will be to seek means of enabling all farmers to join a local cooperative or to form a farm corporation; to encourage private investment in farming or fruit growing in mechanised units, or in agro-industrial companies.

2.2 INVESTMENT

Government investment in agriculture basically will be diverted towards infrastructure operations, provision of agricultural extension services, agricultural advice aimed at raising efficiency and productivity of manpower, and establishing a better marketing system for farm and animal products.

Government investment in such profit-making ventures as meat complexes or agro-industrial companies or model farms are basically intended to encourage more private investment and to offer greater incentives, and hence utlimately the government share in such units will be transferred to the cooperatives, private companies, or the employees of the units.

Long and medium-term loans up to 60 per cent of the capital of applicants will be provided to encourage greater private investment. Loan applications will be considered mainly on the economic viability of the project rather than the collateral offered by the applicant.

Efforts will be made to turn various debts of farmers to money-lenders into one lump sum, and once they are settled to prevent farmers from borrowing under such heavy terms.

2.3 MARKETING AND INSURANCE

To increase the farmers' share of the ultimate price paid by consumers, middle men will be eliminated as much as possible. Farmers will be given loans to prevent them from being forced to sell their crops in advance. Arrangements will be made for better sorting, packing, preserving and transportation of agricultural produce; better fruit and vegetable markets, and more agricultural conversion industries.

To end farmers' anxieties about fluctuation of prices, minimum farm prices will be announced and guaranteed, for different grades of the produce, in different regions, with due regard to local production costs and world prices, so that Iranian agricultural products may remain competitive at world prices.

The minimum farm price guarantee policy will be implemented in a manner to encourage more capital investment in farming and stockbreeding.

Crop insurance will also be gradually introduced against natural and general risks, to cover pure-bred cattle, agricultural and marketing installations, and stored commodities.

2.4 INCOME AND EMPLOYMENT

A basic aim of the Fifth Plan is to narrow the income gap between urban and rural workers. In rural areas this is to be attained through greater yield, lower production costs, and more productive employment, all leading to higher income. Mixing stockbreeding with farming, raising two crops a year, developing handicraft and cottage industry, and establishing agriculturally based industries will be contributing factors

2.5 RESEARCH AND STUDIES

Better seeds and purer breeds of cattle are to be developed; more soil research and classification undertaken and wider forest and plant surveys attempted. In this connection the Government will encourage university research.

3. Specific Targets

3.1 NATURAL RESOURCES

Forests are to be better protected and the timber industry is to be developed. For this purpose, 1,500 Km of access roads and 2,000 Km of operational roads will be built in forests covering 660,000 hectares which are to be used for the timber industry. Timber production is to rise from the present 900,000 cu.m. to 2.7 million cu.m. at the end of the Fifth Plan.

Semi-details survey of all the pastures and grazing lands of the country will be completed, and pasturing techniques will be applied to 1.5 million hectares. Some 4 million hectares of over-grazed pastures will be declared protected areas and kept out of bounds to cattle and animals, until there is at least 30 per cent foliage cover on them. Where dry-farming method is not efficient, owners will be encouraged to turn their land into grazing land.

Desert sand dunes are to be stabilised over approximately one million hectares by planting shrubs or using heavy oils for stabilisation.

Some 15 million hectares of water basins in the country will be surveyed and measures will be taken in 1.5 million hectares to prevent soil erosion.

Five fish hatcheries in the Caspian region will help replenish the Caspian fish reserves.

3.2 FARMING

The annual growth of farm production during the Fourth Plan has been estimated at 4.8 per cent. Given the targets for the Fifth Plan, production levels will be raised as follows:

Crop Targets
(Figures in million tons)

Crop	Present Production	Target Production
Grains	5.60	8.30
Industrial Crops	5.10	7.45
Fruit	1.80	2.40
Vegetables and Herbs	3.20	3.60
Fodder and Cattle Feed	1.20	2.40

Exports	
Cotton	90,000 tons
Fruit and Dried Fruit	250,000 tons

Major agricultural imports during the Fifth Plan will be grains, especially barley and maize (corn) which are estimated to total around 900,000 tons and vegetable oils estimated at around 100,000 tons.

The specific targets in this section are:

- to increase irrigated farmlands' area by 390,000 hectares
- to introduce two crops a year in 150,000 hectares
- to increase chemical fertiliser consumption from the present 305,000 tons a year to 800,000 tons a year by the end of the Fifth Plan
- to carry out spraying against pests and diseases in about 5 million hectares
- to station about 3,000 agricultural advisers (farm extension workers) in rural areas
- to increase silo (grain elevators) capacities from the present total of 392,000 tons to 792,000 tons by 1356; and to build well-equipped stores with a total capacity of 700,000 tons.

3.3 ANIMAL PRODUCTION

The mean annual growth projected for animal production during the Fifth Plan is 6.6 per cent, as shown by the following table:

Animal Production Targets
(Figures in tons)

Type	Present Production	Target Production
Red Meat	305,000	445,000
White Meat (Poultry)	50,000	120,000
Milk	1,900,000	2,800,000

Red meat imports by 1356 will not exceed 13,000 tons a year.

These increases are to be attained by increasing fodder production from 11 billion to 16 billion feeds, improving sheep raising and fattening methods, and higher herd yield (from the present 35 per cent to 40 per cent). Other specific targets:

- to reduce the mortality rate among livestock from the present 20 per cent to 15 per cent by the end of the Fifth Plan;
- to increase at the rate of 20 per cent per annum the vaccine production (now 170 million doses) and other veterinary production (now 20 million units) of the Razi Institute;
- establishing government-operated as well as private meat production complexes to introduce and develop modern stockbreeding and cattle raising, so that by the end of the plan the number of pure-stock cattle will rise to 200,000 head and of the improved mixed breeds to about 100,000 head.
- to encourage and expand poultry farming in suburbs and rural areas by cooperatives, farm corporations and large poultry farms. The government will establish several model poultry farms and will give advice to private poultry farms in suitable regions;
- to develop fishing and fish distribution especially in the south and southeast;
- to improve meat and cattle marketing based on live weight, with due regard to type and age; and to establish minimum price guarantee.

3.4 PRODUCTION

By the end of the Fifth Plan, the total area of irrigated land in the country will be around 3.9 million hectares. Of this, some 8.5 per cent will be farmed by agro-industrial companies, a little over eight per cent by farm corporations and cooperatives, about 10 per cent by mechanised farmers, and the remaining 73.5 per cent by individual farmers.

Membership in farm cooperatives will rise from 1.8 million at the end of the Fourth Plan to around 3 million by the end of the Fifth Plan. The policy of amalgamating the individual cooperatives in cooperative unions will be continued, so that some 3,000 scattered cooperatives will be reduced into 2,000 larger units. Some 60 production cooperatives will be formed and the number of cooperative unions will rise to 150.

3.5 FARM CORPORATIONS

Studies have shown that farm corporations raise yield as well as income, promote mechanisation, and widen the mental horizon of the farmers. The limiting factor in this connection is the shortage of qualified corporation administrators and managers. By the end of the Plan, the number of such corporations is expected to rise to 143, covering a total area of about 420,000 hectares.

3.6 AGRO-INDUSTRY

By the end of the Fifth Plan, agro-industrial enterprises set up with government, private or mixed capital, will introduce intense and modern farming methods in some 300,000 hectares. They will engage in farm and animal production, dairy farming, meat production, or agriculturally-based industry.

In major cattle raising regions such as Fars, Azerbaijan, Kurdistan and Luristan, meat complexes will be established by the Government; in other regions by private enterprise though the Government will offer technical and financial (credit or loan) assistance.

3.7 AGRICULTURAL SERVICES

A variety of agricultural services will be made available to farmers at village level specifically in the field of credits and loans, farming, and rural development.

4. Development Funds

Total agricultural allocations will rise from the 77 billion rials under the Fourth Plan (consisting of 51 billion rials from the development budget and 26 billion rials from the normal budget) to around 267 billion rials under the Fifth Plan, of which 208 billion rials will be provided from development funds.

I.L.O. TEHERAN B.I.T.

TABLE 1
AGRICULTURAL ALLOCATIONS
(Figures in billions of rials)

Title of Plan	Current Allocation (1)	Development Allocations Fixed (2)	Non-Fixed (3)	Total 4 (2 + 3)	Grand Total 5 (1 + 4)
Protection and Utilisation of natural resources	6.42	13.15	8.75	21.90	28.32
Agro-Industry	0.60	26.00	2.00	28.00	28.60
Farm Production Increase	5.59	11.40	3.90	15.30	20.89
Animal Production Increase	6.87	18.42	5.58	24.00	30.87
Agricultural Services	15.35	11.21	3.59	14.80	30.15
Cooperatives and farm corporations	12.14	22.05	9.15	31.20	43.34
Farm Produce Marketing	9.91	13.00	0.90		23.81
Research and Studies	1.81	5.77	3.13	8.90	10.71
Agricultural Credits	0.16	–	50.00	50.00	50.16
Total	58.85	121.00	87.00	208.00	266.85

TABLE 2
FIXED INVESTMENT IN AGRICULTURE
(Figures in billions of rials)

	Public Sector			Private Sector			Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Protection and Utilisation of natural resources	12.65	3.49	16.14	1.00	0.50	1.50	17.64
Agro-Industry	22.00	4.00	26.00	5.00	4.00	9.00	35.00
Farm Production Increase	9.20	0.13	9.33	3.25	2.20	5.45	14.78
Animal Production Increase	10.62	1.70	12.32	5.00	7.80	12.80	25.12
Agricultural Services	7.21	0.20	7.41	3.00	4.00	7.00	14.41
Farm Cooperatives and corporations	13.05	–	13.05	2.75	9.00	11.75	24.80
Farm Produce Marketing	12.50	–	12.50	2.00	0.50	2.50	15.00
Research and Studies	5.77	0.13	5.90	–	–	–	5.90
Total	93.00	9.65	102.65	22.00	28.00	50.00	152.65

(1) Paid out of development funds
(2) Paid out of private income of establishments concerned
(3) Total public sector investment (1) + (2)
(4) Paid out of private savings
(5) Paid out of development funds (loaned to private sector)
(6) Total private fixed investment (4) + (5)
(7) Grand Total

I.L.O. TEHERAN B.I.T.

CHAPTER VIII
DEVELOPMENT OF WATER RESOURCES

PREFACE

Due to its geophysical and climatic conditions, Iran is basically an arid and semi-arid region of the world. Some 52 per cent of all the precipitation occurs in only 25 per cent of the area of the country, i.e. the Caspian littoral and the west. Fifty per cent of the country consists of a central plateau which gets only 28 per cent of the total precipitation. The remaining 20 per cent of the precipitation occurs in the eastern and southern regions which comprise 25 per cent of the land mass.

Furthermore, most of the precipitation, rain or snow, occurs in late winter and early spring, leaving the other seasons which are the main growing time, almost without rain. All this makes it most essential that the country's dependence on natural precipitation for agricultural and domestic water requirements be reduced to a minimum. Considerable progress has been made in the construction of reservoir dams, but progress in the development of irrigation and drainage has not been at a desirable level as a result of which full use has not been made of the regulated and preserved water.

1. Basic Objectives

a) To provide reliable water supply for an additional 8 million urban population, so that by the end of the Fifth Plan the entire 17 million urban population will have reliable water supply.

b) To provide more agricultural water for irrigation so that by the end of the Fifth Plan the total area of irrigated farmland will rise to 3.89 million hectares as compared to 3.5 million hectares at the end of the Fourth Plan.

c) To increase the installed generation capacity of hydroelectric power stations from 792 megawatts at the end of the Fourth Plan to 1,812 megawatts at the end of the Fifth Plan.

2. Overall Policies

2.1 WATER SUPPLY

The overall policies under the Fifth Plan will be directed at the following aims:

- to prevent wastage of water flowing in the seas, lakes, swamps and deserts by building suitable water installations;
- utilisation of frontier river waters and the water rights of the country;
- diversion of water from surplus areas to arid but fertile areas;
- co-ordinated utilisation of surface and subterranean waters in order to make optimum use of all water resources in every region;
- prevention of water salination caused by passage through salt domes or salty soils;
- utilisation of the latest scientific, technological and hydrological advances in such fields as sea water desalination, cloud impregnation, sewage water re-cycling, and water recovery from Nature now inaccessible for agricultural, industrial and domestic use;
- construction of modern irrigation and water supply networks where traditional methods fail to ensure efficient supply and thus cause water wastage;
- construction of proper drainage systems to prevent salination or evaporation in shallow water tables;
- conduct research in hydrology, hydrography, irrigation, etc.

2.2 HYDROELECTRICITY

- In semi-arid regions such as Fars, the water resources will be devoted entirely to domestic, agricultural and industrial use and no hydroelectric power stations will be built;
- In surplus water regions such as Khuzistan, where water exists in excess of domestic, agricultural and industrial requirements, hydroelectric power stations will be built.

2.3 FLOOD CONTROL

Though diversion dams will be built for flood control in order to reduce flood damage due to limitation of resources, priority will be given to dams providing water for domestic, agricultural and industrial needs.

2.4 WATER PRESERVATION

Measures will be taken throughout the country to protect the water quality, preserve the water resources and carry out water nationalisation.

3. Specific Targets

3.1 WATER SUPPLY

- To complete the reservoir dams started during the Fourth Plan, controlling some 9,490 million cu.m. of water a year;
- to build new reservoir dams studied during the Fourth Plan. Some of these will be completed during subsequent plans. The amount of water to be controlled by those completed under the Fifth Plan will amount to 430 million cu.m. a year; and those under the subsequent plans to 2,470 million cu.m.

- to divert 430 million cu.m. of water from surplus areas to semi-arid fertile areas. Work on these undertakings were commenced during the Fourth Plan. New measures will be taken for the subsequent diversion of another 195 million cu.m., of which diversion of 95 million cu.m. will be completed during the Fifth Plan;
- to install facilities to utilise 1,120 million cu.m. of subterranean water resources. In addition to this, the private sector is also expected to invest capital for utilisation of a further 1,010 million cu.m. of water from underground resources;
- to utilise about 3 per cent of the underground water resources in conjunction with surface waters for irrigation;
- to increase water desalination capacity from the present 3 million cu.m. a year to about 16 million cu.m. a year.

3.2 IRRIGATION AND DRAINAGE NETWORKS

Irrigation and drainage networks will be expanded as follows in order to better utilise dam waters for downstream farmlands:

- major (1st and 2nd class) irrigation and drainage networks started in the Fourth Plan will be completed in 387,000 hectares;
- new major (1st and 2nd class) irrigation and drainage networks will be started for 744,000 hectares, of which those for 455,000 hectares will be completed during the Fifth Plan;
- new secondary (3rd and 4th class) irrigation and drainage networks started under the Fourth Plan for 140,000 hectares will be completed;
- new secondary (3rd and 4th class) irrigation and drainage networks will be started for 998,000 hectares, of which those for 455,000 hectares will be completed during the Fifth Plan;
- traditional irrigation networks improvement work will be started on 165,000 hectares, and will be completed on about 100,000 hectares of it. (Graph 1 shows the growth of secondary irrigation and network development and relationship with land served by them.

3.3 URBAN WATER SUPPLY

By the end of the Fifth Plan, some 483 million cu.m. of water a year will be supplied by urban water supply networks, which will include water processing plants, pump stations, etc.

3.4 HYDROELECTRICITY

The hydroelectric power supply for agricultural, industrial and urban development purposes will be as follows:

- installed generation capacity will be increased by 1 million KW by completing installations started under the Fourth Plan;
- new hydroelectric power stations with a total design capacity of 205,000 KW will be started under the Fifth Plan, of which 20,000 KW will also be completed.

3.5 WATER SUPERVISION

Measures will be taken during the Fifth Plan to supervise proper utilisation of water, prevent water pollution and continue water nationalisation objectives:

- water nationalisation provisions will be applied to 15 per cent of total water resources;
- the necessary machinery will be set up to carry out provisions to prevent water pollution, and to reduce pollution of waters used for domestic, agricultural and industrial purposes;
- statistics necessary will be compiled to predict flooding in densely-populated areas of the country.

3.6 RESEARCH AND STUDIES

- Statistics will be compiled concerning climatic conditions, subterranean water resources, water tables, etc. to determine a realistic assessment of dam reservoir capacities and proper utilisation of underground water resources.
- studies will be made to project long-term water requirements of cities and towns, to determine the most economical sources of water supply for each region, and to specify the optimum water utilisation plans;
- studies will be undertaken to apply the latest scientific, hydrological and technological advances in the world in order to ensure the most efficient use of water resources;
- hydrologists and other scientists and technicians will be trained to meet the country's requirements in future, thus gradually eliminating the need for foreign experts.

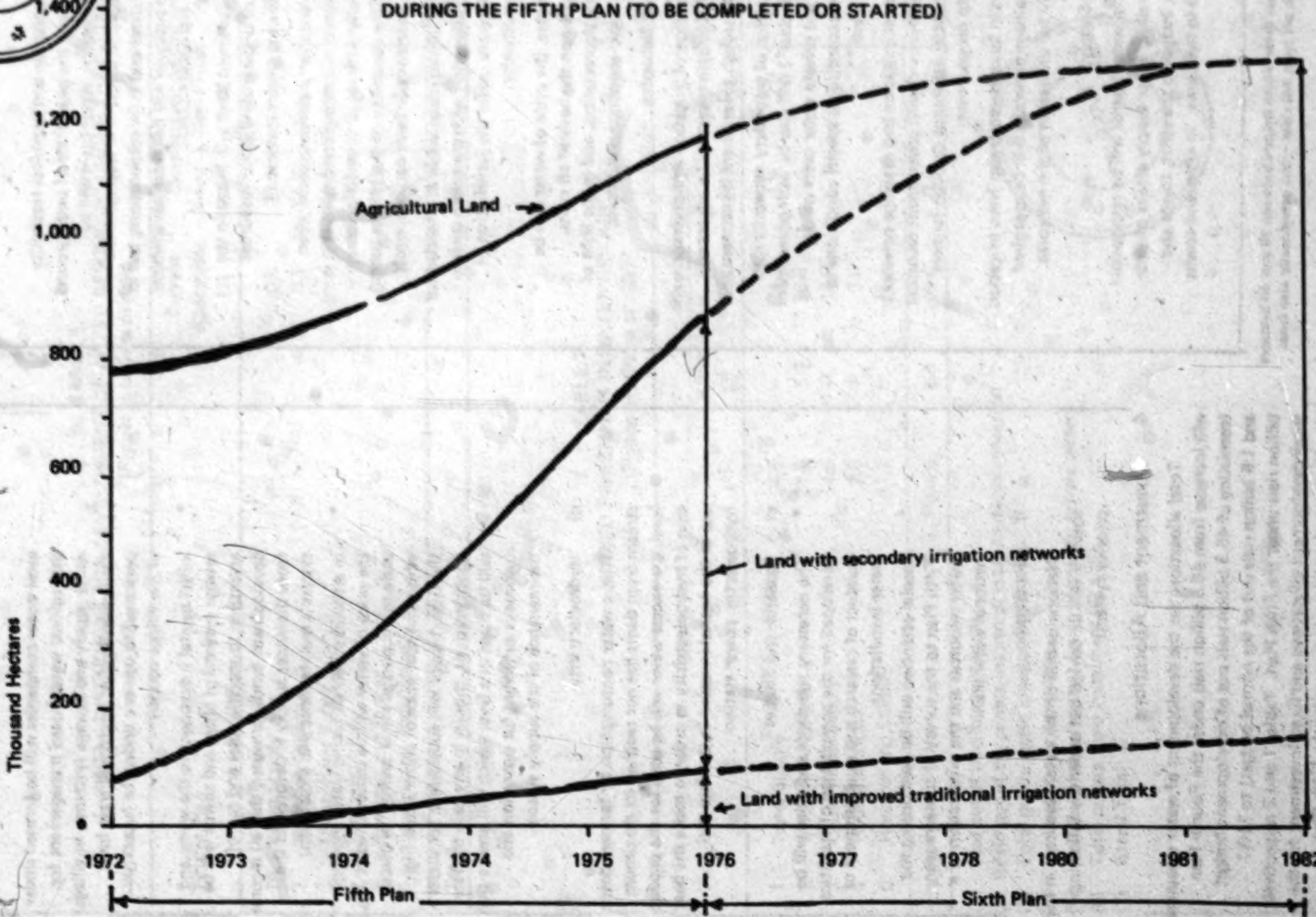
3.7 OPERATIONAL POLICIES

a) Water Supply

- priority will be given to the completion of reservoir dams already started and utilisation of controlled waters. New irrigation-oriented reservoir dams will be built only in backward regions where regional development makes water control imperative;
- special attention will be given to frontier river waters and the country's water rights utilisation;

I.L.O. TEHERAN I.T.

GRAPH 1
INCREASE IN AGRICULTURAL LANDS AND SECONDARY IRRIGATION NETWORKS DURING THE FIFTH PLAN (TO BE COMPLETED OR STARTED)



- where economic and technical feasibility studies show the possibility of underground water utilisation, water users will be encouraged to invest in it through their co-operatives and farm corporations, but in all cases such use will be under government control and supervision.

The Government itself will invest in the development of underground water resources under the following circumstances:

- under exceptional circumstances when development of underground resources is technically difficult or financially heavy beyond the capability of the private users (i.e. co-operatives or farm corporations);
- when the subterranean water is intended for use in conjunction with a modern surface water network under the jurisdiction of a single authority;
- In each case, the price of water will be determined on the basis of all costs, including depreciation, and in the light of various socio-economic conditions.

b) **Irrigation Networks**

- Construction of irrigation and drainage networks in dam areas will be advanced rapidly through government investment;
- construction of secondary networks (3rd and 4th class*) will also be with government funds, but private water users will be allowed according to special conditions to utilise them.**
- traditional irrigation and drainage networks will be improved with government technical and financial assistance through farmers' self-help programmes;
- farmers in lands downstream from irrigation and drainage networks will be organised suitably for utilisation of the networks.

c) **Urban Supply**

- Regional water boards will be responsible for handling water supply affairs of each region, including the cities, towns and villages in their area. In cities and towns local water companies will be formed under the regional water board management for water supply and sewage systems. In villages the regional water board will train local personnel to operate under the supervision of the village council;
- initial capital investment in the water and sewage systems of cities and towns will be according to specific rules and out of development funds, provided that all income from the water supply is devoted to the system's maintenance and expansion;
- in cities like Tehran facing water shortage, the price of water will be determined at a scale to encourage water saving. In places where the cost price of water is too high, the Government will subsidise it for social considerations, though in any case the rate will be fixed at a level which will ensure that income is sufficient for operation and maintenance of the supply system.

d) **Hydroelectricity**

Where water consumption by farmers downstream from dams has not reached its maximum level, the excess water will be used for the production of hydroelectricity in order to make the best use of the capital invested in the dam and hydroelectric power station.

e) **Research and Studies**

- The necessary standards and rules will be developed for the compilation of statistics, conduct of research and establishment of water installations.
- special attention will be paid during the Fifth Plan to the survey of subterranean water resources and the preparation of a national water plan.

f) **Supervision**

Nationalisation of the water resources in the country will be carried out under the following priority system:

4. Investment and Allocations

Total allocations for the development of water resources will increase from 46.8 billion rials under the Fourth Plan (consisting of 45.3 billion rials out of development budget and 1.5 billion rials out of the normal budget) to 110.7 billion rials under the Fifth Plan. Tables 1 and 2 respectively show development allocations and fixed investment for the development of water resources under the Fifth Plan.

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* 4th class canals are those which irrigate between 20 and 50 hectares and which branch off from 3rd class — but occasionally also from 1st class canals.

** In the case of land below dams given to private companies for agro-industrial units, water canals for land sections down to 100 hectares will be construction at government expense.

TABLE 1
TOTAL INVESTMENT FOR DEVELOPMENT OF WATER RESOURCES UNDER THE FIFTH PLAN

(Figures in billions of rials)

Title of Plan	Current Allocations (1)	Development Allocations			Grand Total 5 (1 + 4)
		Fixed (2)	Non-Fixed (3)	Total 4 (2 + 3)	
1. Water Supply	0.8	26.5	–	26.5	27.3
2. Irrigation Networks	0.1	51.8	–	51.8	51.9
3. Urban Water Supply	–	14.6	–	14.6	14.6
4 Hydroelectricity	–	2.0	–	2.0	2.0
5. Research and Studies	0.9	11.1	–	11.1	12.0
6. Services and Supervision	0.9	–	2.0	2.0	2.9
Total	2.7	106.0	2.0	108.0	110.7

TABLE 2
FIXED INVESTMENT IN WATER RESOURCES

(Figures in billions of rials)

Title of Plan	Fixed Investment						Grand Total (7)
	Public Sector			Private Sector			
	(1)	(2)	(3)	(4)	(5)	(6)	
1. Water Supply	24.5	–	24.5	1.4	2.0	3.4	27.9
2. Irrigation Networks	51.8	5.0	56.8	0.6	–	0.6	57.4
3. Urban Water Supply	14.6	–	14.6	–	–	–	14.6
4. Hydroelectricity	2.0	–	2.0	–	–	–	2.0
5. Research and Studies	11.1	–	11.1	–	–	–	11.1
Total	104 0	5.0	109.0	2.0	2.0	4.0	113.0

(1) Paid out of development funds
(2) Paid out of the private income of establishments concerned
(3) Total public sector investment (1) + (2)
(4) Paid out of private savings
(5) Paid out of development funds (loaned to private sector)
(6) Total private fixed investment (4) + (5)
(7) Grand Total

I.L.O. TEHERAN B.I.T.

CHAPTER IX
INDUSTRY

1. Basic Objectives

1.1 QUALITATIVE OBJECTIVES

a) To complete and equip existing industrial units and to amalgamate similar units to utilise effectively their maximum economic capacity, thus economising in expenses and reducing cost price while improving quality;

b) to establish new industries related to existing industries and resources, particularly those producing intermediary and capital goods that would reduce industry's dependence on foreign imports;

c) to expand export markets in order to attain export targets during the current export decade;

d) to utilise labour-intensive technology in the major heavy industries envisaged in the Fifth Plan, and to confine capital-intensive industries only in essential cases;

e) to establish satellite, auxiliary, and finishing industries in the form of small industries feeding on, or feeding the major industries to accelerate consolidation of the industrial economy;

f) to concentrate on agriculture-based industry in order to accelerate industrial growth, to raise per capita income in agriculture, to assist shortage of foodstuffs and animal products, and to create full or part-time employment for rural inhabitants and suburbans;

g) to encourage and protect foreign capital in order to attract advanced technology and enter new export markets for manufactured goods and to mobilise new financial resources;

h) to stress and increase industrial research in universities, institutes of higher learning and manufacturing units in order to absorb advanced technology and to develop Iranian industrial technology;

i) to broaden the industrial ownership base by offering shares in industrial enterprises to their workers and employees and to the general public for a fairer distribution of the benefits of industrial progress;

j) to train industrial managers at all levels in order to separate industrial ownership from management;

k) to gradually sell to the general public the state-owned factories established by the government to guide or encourage factories established by the government to guide or encourage the private sector;

l) to offer credit facilities and infrastructure assistance to distant regions (outside the present industrial regions) with potentials for industrialisation.

1.2 QUANTITATIVE OBJECTIVES

a) With a mean annual industrial rate of growth of about 14 per cent, the value of industrial output will rise from 509 billion rials a year at the beginning of the Fifth Plan to 972 billion rials at the end of the Fifth Plan; and the industrial, value-added from 163.7 billion rials at the end of Fourth Plan to 330 billion rials in 1356. Attaining such a target would require an average annual growth rate of 15 per cent (at 1351 prices). This would mean that the industrial sector's share in the GNP will rise from 13.4 per cent at the end of the Fourth Plan to 16 per cent at the end of the Fifth Plan.

b) the industrial employed manpower which stands at 1.75 million at the end of the Fourth Plan, will rise by an average of 7 per cent a year with the creation of 735,000 industrial productive jobs, to about 2.5 million. The percentage of industrial workers in the total national labour force will rise from 20.7 per cent in 1351 to 25 per cent in 1356.

c) non-oil manufactured goods exports will show a mean annual rise of about 18 per cent from an estimated 1351 total of 27 billion rials to about 61 billion rials in 1356.

I.L.O. TEHERAN B.I.T.

2. Overall Policies

2.1. GENERAL COURSES

a) Universities, institutes of higher learning and state-owned and private industrial units will be encouraged to undertake industrial research. Constant liaison will be established among major industrial enterprises and research centres in order to develop new technology, to raise quality and to standardise industrial products.

b) constant supervision will be established to control product quality to protect the consumer and to compete on world markets.

c) raw material resources will be developed and primary materials will be converted to consumer or export commodities.

d) emphasis will be placed on the development of small and medium industries of labour-intensive nature, especially in the backward regions with growth potentials to raise per capita earning and to expand the consumer market in such regions, particularly for durable consumer goods which so far have been mainly in demand in urban centres;

e) direct government investment will be confined to basic industries which are important from the point of view of national defence or public welfare;

f) the public will be encouraged to buy stocks in industrial enterprises in order to broaden their ownership. Workers and staff of such enterprises will have the first option;

g) when investment abroad could lead to export of raw and intermediary goods for conversion into manufactured goods, capital will be invested abroad.

2.2 TARIFF POLICY

Customs protection in every field of industry will be under constant review in the light of development of various industries. The tariff policy will be carried out in the following ways:

a) in the case of consumer goods, the present policy of gradual reduction of customs protection will continue in order to improve quality through healthy competition with foreign products;

b) in the case of intermediary and capital goods, customs protection will be given to reduce imports through increased local production. After a reasonable period this protection will be gradually reduced.

2.3 CREDIT POLICY

The credit policy for industry during the Fifth Plan will be as follows:

a) Government and private insurance companies and the Workers' Social Insurance Organisation will be encouraged to buy stocks in industrial companies;

b) existing specialised banking service will be extended to other parts of the country in order to help establish new industrial units;

c) commercial banks will be encouraged to set up special units to properly consider and evaluate industrial projects to give them credits, revolving funds or to go into joint participation with them, especially when the projects are for small indsutries in the provinces;

d) financial incentives will be provided such as preferential rates of interest for small industries particualrly in backward regions and small towns;

e) facilities will be provided for workers and employees of industrial companies to buy shares in their own companies;

f) specialised and commercial banks will be given aid to take equity shares in medium and small industries without demanding the usual collaterals, especially in provincial towns and backward regions;

g) a public stock brokerage should be established by the government to collect small savings and invest them in industry while protecting the interests of small investors;

h) the commercial and specialised banks are to reconsider their industrial credit policy so that loans would be given not against the usual collaterals but on the basis of economic feasibility of the projects. This principle will be observed for loans paid out of development funds.

2.4 TAX POLICY

The tax policy of the Fifth Plan will seek the following objectives:

a) improved accounting and book-keeping in industry and improved tax assessment;

b) measures to divert money from land speculation towards industrial activity.

2.5 TRAINING AND RESEARCH

Funds allocated for research and study in industry have been negligible. In view of this, the policy of the Fifth Plan will be as follows:

a) to review the curricula of universities and other institutes of higher learning, and to improve technical, scientific and management courses;

b) to establish training and vocational centres adjacent to government and private industrial enterprises to train technicians, skilled workers and artisans;

c) to review the Commercial Code in order to protect the interests of small investors and to bring it into conformity with the new policies for the prolification of industrial ownership;

d) to provide water, power and telephone for industry, reliably and at reasonably constant tariffs;

e) to constantly supervise the cost of intermediary goods in order to prevent an unreasonable rise in the production cost of manufactured and consumer goods;

f) to sell government-owned industrial enterprises to the general public on the basis of rules to be approved by the competent authorities.

2.8 PROTECTION OF THE ENVIRONMENT

Rules required for the protection of the living environment and to prevent pollution will be promulgated; and these will be gradually applied to the selection of sites and approval of projects for industry and for providing the various priorities and protections to industry.

3. Specific Targets

3.1 FOOD INDUSTRY

- the value-added of food, beverage and tobacco industries will rise at an average annual rate of 4.8 per cent;
- in most fields of the food industry efforts will be made to reach a stage of self-sufficiency in order to end reliance on imports;
- export targets will be set for a number of food products such as fish, dates and vegetable oils;
- in view of the wide variety of climatic conditions and the vast size of the country, efforts will be made to complete a network of cold storage facilities to preserve fresh fruit and vegetables, meat, fish and dairy products;
- supply of feedstocks will be improved by setting up feedstock plants in suitable regions of the country in order to ensure adequate feed during the winter season;
- trawling is to be encouraged in the Persian Gulf and Oman Sea in order to increase the animal protein supply in the country and to raise the earning level of the coastal inhabitants of the south. Iranian trawlers will also fish in international waters. Foreign exchange will be earned from the export of canned fish and fish meal.

3.2 TEXTILES, FOOTWEAR AND HANDICRAFT INDUSTRIES

- the value-added of the textile, footwear carpets and handicraft industries will rise at an average annual rate of 8.9 per cent;
- the target for the textiles and footwear industries is to reach surplus product not only to meet all domestic requirements but also to export them; especially in the form of ready-made clothing where Iran enjoys advantages;
- the forgotten silk industry will be revived because of the public's renewed preference for natural silk over synthetic fibres and because of the increased demand for silk carpets and

TEHERAN

silk handicrafts and a rise in their exports. Greater silk production will also reduce unemployment and semi-employment in rural areas;

- handicrafts, which have been so far encouraged in towns, will also be increased in rural areas with handicraft traditions through such incentives as guaranteed market for them.

3.3 CELLULOSE AND PRINTING INDUSTRIES

- the value-added of the cellulose and printing industries will rise at an average annual rate of 17.5 per cent;
- during the Fifth Plan efforts will be made to fully exploit 1.4 million hectares of commercial forests, with the paper industry providing more than half the country's consumption;
- in the case of wood products, the aim is also to export the surplus production.

3.4 SKIN AND LEATHER INDUSTRY

- the value-added of the skin and leather industry will rise by an average annual rate of 9.9 per cent;
- the existing leather factories will be expanded and measures will be taken to improve the primary materials of the industry.

3.5 CHEMICAL AND PETROCHEMICAL INDUSTRIES

- the value-added of the chemical and petrochemical industries will rise at an average annual rate of 21.1 per cent;
- intermediary chemicals will be produced in commercial quantities to replace imports and also to provide exports;
- production will continue of finished chemical and petrochemical products such as fertilisers, dyestuffs, paint, synthetic fibres, plastics, rubber and tyres;
- by benefiting from the country's relative advantage in producing certain chemicals and petrochemicals such as detergents, plastic goods, chemical fertilisers and aromatics, efforts will be made to export them to foreign markets.

3.6 NON-METAL MINERALS INDUSTRY

- the value-added of the non-metals minerals industry during the Fifth Plan will rise by an average of 23.3 per cent per year;
- building materials will be produced sufficiently to meet all the demand for housing, roads, airports, industrial buildings, dams and ports;
- the aim will be to attain self-sufficiency in building materials and to even export tiles.

3.7 BASIC METALS INDUSTRIES

- The mean annual growth of the industry's value added during the Fifth Plan will be 24 per cent,
- during the Fifth Plan, the demand for structural steels such as angles, channels, pipes, rods and profiles will be completely met from domestic sources, but steel sheet demands, which form about 45 per cent of all steel requirements, will have to be met with imports;
- the Aryamehr steel mill capacity will rise to 1.9 million tons. Projections have been made for the setting up of two other steel mills using direct reduction method of producing blooms, each with a capacity of about a million tons;
- in view of the discovery of major copper deposits at Sar Cheshmeh, and the projected setting up of a mill to produce concentrated copper ore, some 160,000 tons of copper is expected to be produced annually by the end of the Fifth Plan – most of which will be exported.

3.8 NON-ELECTRICAL (MECHANICAL) MACHINE INDUSTRY

- The value added of mechanical (non-electrical) machine industry will grow at the average rate of 28.2 per cent per annum;
- there will be increased production of capital and intermediary machines and parts such as machine tools, pressure containers, industrial boilers, steel structures, pumps and compressors, presses and electric motors.

3.9 ELECTRIC MACHINE INDUSTRY

- The value added of the electrical machines industry will rise at an average of 15.9 per cent a year;
- production will continue of durable consumer goods such as refrigerators, televisions, telephones and electric bulbs; and more component parts will also be produced to raise their value-added share.

3.10 MOTOR VEHICLE INDUSTRY

- The value-added of the motor vehicle industry will rise by an average of 19.2 per cent a year;
- the aim in the automotive industry is to raise the proportion of component parts produced in Iran from 50 per cent to 75 per cent, in order to reduce such imports;
- in the case of tractors and agricultural implements, the existing production units will be expanded and therefore it would be possible to begin exporting to neighbouring countries;
- preparations will be made during the Fifth Plan to set up ship repair yards in the south to offer repair and overhaul services for merchant ships and tankers plying the waters of the Persian Gulf and the Oman Sea. Also, preparations are to be made for a small shipbuilding yard to be expanded to make larger ships during subsequent Plans.

3.11 SMALL INDUSTRIES

In view of the role that such industries play in broadening the industrial base of the country, it is essential that interdependence be developed between small and major industries. In order to achieve this objective, the following policy will be applied:

- a study of the small industries, especially from the view-point of their inter-dependence with other industries and other sectors of the economy;
- grant of technical and training assistance; advisory and consultative services to such units on the basis of priorities;
- grant of loans and credit to some 10,000 small industrial enterprises under easy terms, and review of their collateral in the light of their potentials and inter-dependence;
- establishment of independent and separate branches and offices in banks specialising in industry and business to give loans and other financial assistance to small industries;
- requiring government agencies to buy their requirements from small industries;
- establishing contract centres between major and small industries;
- provision of infrastructure facilities such as land, roads, water, power, telephone and training centres in order to develop small industries in potential regions.

4. Investment and Allocations

- In order to attain the afore-mentioned objectives, industrial investment during the Fifth Plan has been estimated at 506.4 billion rials (including 4 billion rials in technical aid to industry), of which about 40 per cent will be by the government and the rest by the private sector. Of the 199.6 billion rials of government investment, 183.9 billion rials will come out of development funds, and the rest from the private income of the various state-owned commercial enterprises;
- during the Fifth Plan, over 90 per cent of government industrial investments will be made outside Tehran;
- total allocations for industry will rise from 103.5 billion rials in the Fourth Plan (consisting of 99.2 billion rials out of development budget and 4.3 billion rials out of normal budget) to 194.5 billion rials in the Fifth Plan;
- Table 1 shows total allocations for industry and Table 2 will show fixed investment in industry during the Fifth Plan.

TABLE 1
INDUSTRIAL ALLOCATIONS
(Figures in billions of rials)

Title of Plan	Current Allocations (1)	Development Allocations			Grand Total 5 (1 + 4)
		Fixed (2)	Non-Fixed (3)	Total 4 (2 + 3)	
1. Foodstuffs	–	8.50	–	8.50	8.500
2. Textiles and Carpets	–	3.00	–	3.50	3.000
3. Cellulose and Printing	–	15.00	–	15.00	15.000
4. Skins and Leather	–	–	–	–	–
5 Chemical and Petrochemicals	–	42.00	–	42.00	42.000
6. Non-metal Minerals*	–	–	–	–	–
7. Basic Metals	–	57.00	–	57.00	57.000
8. Non Electrical Machinery	–	25.24	–	25.24	25.240
9. Electrical Machinery	–	–	–	–	–
10. Automotive Industry	–	9.16	–	9.16	9.160
11. Transfer to the Private Sector	–	20.00	–	20.00	20.000
12. Technical Aid to Industry**	1.655	–	4.00	4.00	5.655
13. General Services and Supervision***	7.017	–	–	–	7.017
14. Recurrent Projects****	1.967	–	–	–	1.967

* Excluding funds to establish plants for pre-fabricated sections

** Including industrial studies, technical aid, research and industrial test assistance

*** Including supervision of industry; foreign and domestic affairs; industrial, mining and commercial statistics, export promotion and improvement, international fairs, IDRO, Central Organisation of (State-owned) Companies and Organisation of Military Industries

**** Including administrative costs of National Petrochemical Co., the Handicraft Centre and the Small-Scale Industries Organisation

I.L.O. TEHERAN B.I.T.

TABLE 2
FIXED INVESTMENT IN INDUSTRY

(Figures in billions of rials)

	Public Sector			Private Sector			Total
	(1)	(2)	3 (1 + 2)	(4)	(5)	6 (4 + 5)	7 (3 + 6)
1. Foodstuffs	8.50	6.75	15.25	32.25	3.00	35.25	50.50
2. Textiles and Carpets	3.00	0.50	3.50	45.50	1.50	47.00	50.50
3. Cellulose and Printing	15.00	0.30	15.30	10.00	–	10.00	25.30
4. Skins and Leather	–	–	–	2.00	–	2.00	2.00
5. Chemical and Petrochemicals	42.00	30.00	45.00	68.20	3.00	71.20	116.20
6. Non-Metal Minerals*	–	1.65	1.65	50.85	5.00	55.85	57.50
7. Basic Metals	57.00	–	57.00	55.50	4.00	59.50	116.50
8. Non-Electrical Machinery	25.25	3.50	28.74	11.50	1.50	13.00	41.74
9. Electrical Machinery	–	–	–	9.50	1.00	10.50	10.50
10. Automotive Industry	9.16	–	9.16	20.50	1.00	21.50	30.66
11. Miscellaneous	–	–	–	1.00	–	1.00	1.00
Total	159.90	15.70	175.60	306.80	20.00	326.80	502.40

* Excluding funds to establish plants for pre-fabricated sections.

(1) Paid out of development funds

(2) Paid out of private income of establishments concerned

(3) Total public sector investment (1) + (2)

(4) Paid out of private savings

(5) Paid out of development funds (loaned to private sector)

(6) Total private fixed investment (4) + (5)

(7) Grand Total

Total	10.639	179.90	4.00	183.90	194.539

I.L.O. TEHERAN B.I.T.

TABLE 3
PROJECTION OF INVESTMENT IN GOVERNMENT INDUSTRIAL PROJECTS OUT OF DEVELOPMENT ALLOCATIONS AND GOVERNMENT COMMERCIAL ESTABLISHMENTS' OWN RESOURCES

(Figures in millions of rials)

Projects	Development Allocations	Commercial Resources	Total
1. Foodstuffs Industries	8,500	6,750	15,250
Sugar Mills (beet and cane)	4,000	3,000	7,000
Fisheries (Caspian and Persian Gulf)	1,500	500	2,000
Cold Storage	1,000	–	1,000
Pasteurised Dairy	1,000	–	1,000
Agro-Industry	1,000	–	1,000
Tea, Tobacco and Others	–	3,250	3,250
2. Textiles, Carpets and Handicrafts	3,000	500	3,500
State owned factories	–	250	250
Mazandaran Textiles and Others	–	250	250
Carpets and Handicrafts	3,000	–	3,000
3. Cellulose Industries	15,000	300	15,300
Gilan Paper Mill*	8,000	–	8,000
Mazandaran Paper Mill*	7,000	–	7,000
Gilan Timber Company	–	300	300
4. Chemical and Petrochemicals	42,000	3,000	45,000
Petrochemicals	30,000	–	30,000
Military (Chemical) Industries**	12,000	2,000	14,000
Chemical Fertilisers	–	1,000	1,000
5. Non-Metal Minerals	–	1,650	1,650
6. Basic Metals***	57,000	–	57,000
Steel Mill	40,000	–	40,000
Direct Reduction	7,000	–	7,000
Copper Smelting (excluding mines)	10,000	–	10,000
7. Mechanical Industries	25,240	3,500	28,740
Tabriz Machine Tools	3,000	250	3,250
Arak Machine Tools	3,000	250	3,250
Military (Mechanical) Industries	19,240	3,000	22,240
8. Automotive Industries	9,160	–	9,160
Tractor Manufacturing	3,000	–	3,000
Ship Repair (excluding ports and housing)	5,000	–	5,000
Military (Helicopter and Aircraft)	1,160	–	1,160

→

9. Technical Aid †			
Industrial Studies	4,000	–	4,000
Technical and Research Aid	–	–	–
Industrial Laboratories	–	–	–
Export Guarantee Fund Supervisory Organisation	–	–	–
10. Transfer to the Private Sector			
Small Industries	20,000	–	20,000
Medium Industries	5,000	–	5,000
Large Industries	5,000	–	5,000
	10,00	–	10,000
Total††	183,900	15,700	199,600

* Total investment for the two mills has been estimated at 30 billion rials of which the Government will pay 15 billion.

** Including investment in the battery plant.

*** Excluding investment for the aluminium smelter expansion or establishment of the second (direct reduction) steel mill.

† Including technical and economic studies; industrial research through universities, scientific and technical institutes and the Bureau of Standards; establishment of technical and design centres, technological and metallurgical bureaux; compilation of technical, scientific and industrial papers and documents; and technical and promotional aid to small industries.

†† Training costs are included under Chapter on education and housing under Chapter on urban development.

TABLE 4
INVESTMENT IN THE PETROCHEMICAL INDUSTRY
(Figures in millions of rials)

Project	National Petrochemical Company's Share		Private Investors' Share*		Total
	Amount	Percentage	Amount	Percentage	
1. Expansion of Abadan Complex's PVC unit	480	74	172	26	652
2. Expansion of Shahpur Complex units	6,563	100	–	–	6,563
3. Olephine, Aromatic	17,025	50	17,025	50	34,050
4. Plastic Softener	1,500	50	1,500	50	3,000
5. Caprolactum and Ammonium Sulphate Fertiliser	472	20	1,898	80	2,370
6. Dimethyl terphetaliat and Polyester	1,200	30	2,805	70	4,005
7. Styrene Monomer	112	20	458	80	570
8. Polystrene	135	20	555	80	690
9. Styrene rubber, Butadene	352	50	1,410	50	1,762
10. Petro-protein	517	50	517	80	1,034
11. Polypropylene	383	20	1,530	80	1,913
12. Isoprene and Polyisoprene	1,823	50	1,823	50	3,646
13. Ammonio resins	38	10	337	90	375
Total**	30,600	50	30,300	50	60,630

* Iranian and foreign investors

** Training costs for Petrochemical Industries are under Chapter for Education, and for Housing under Chapter on Housing

L. O. TEHERAN B. I. T.

CHAPTER X
MINING

1. Basic Objectives

The first step towards exploitation of the mines is reconnaissance of the resources and mineral deposits. The main objective of the Fifth Plan is to end the isolated form of mining and to turn it into an integrated activity closely related to industry and other economic activities. For this purpose:

a) Survey and topography of the country will be undertaken over an area of about 700,000 square Km which has not been surveyed to this date, and topographical maps will be prepared to the scales of 1:250,000, 1:50,000 and 1:100,000.

b) Basic mining exploration will be undertaken in 25 per cent of the area of the country (400,000 square Km) in two phases: the general and preliminary exploration and the local and detailed exploration where there are signs of mineral deposits.

c) Recognised and discovered mines, whether of copper, iron, coal, lead, zinc, and chromite, or others, will be exploited. The value-added of the mining sector will be appreciably increased by converting such minerals, especially those which have not been exploited in the past, into locally marketable or exportable products. The more important of these minerals and mines are:

Copper:	Sar Cheshmeh, Meiduk, Char Gonbad, Abbasabad and Mazra'eh
Iron:	Choghart and Bafq, Tangeh Zare' and Gol-e Gowhar
Coal:	Kerman, the Alborz mountains and Shahrud
Ferrous Oxide:	and other secondary minerals used in the steel industry
Lead:	Nakhlak and Qanat-e Marvan
Chromite:	
Gold:	Muteh

Miscellaneous minerals and newly discovered mines.

2. Overall Policies

The overall policies and courses in the mining sector are as follows:

a) to strengthen financially the Geological Organisation, to increase its staff and the required equipment;

b) to adopt new methods by employing foreign consultants and service organisations for basic exploration;

c) to encourage the private sector to invest in mining though in case of need the Government will directly develop mines;

d) to provide mining infrastructure by the Government in the form of a network of roads in mining areas, ensure supply of water and power, and provide transpor facilities, and housing for workers;

e) to provide government training facilities for mine technical staff and workers at all levels;

f) to provide government assistance to private mining interest through core drilling to ascertain mineral deposits and to offer methods of mining and mineral assaying;

g) to provide government financial help to the private mining interests through a special mining fund or by establishing branches of specialised banks, using mineral deposits as surety;

h) to revise the mining organisations;

i) to review laws and regulations related to mining in order to facilitate mining by the private sector towards greater investment and export.

3. Specific Objectives and Targets

a) An annual increase in value-added for the mining sector averaging 22.3 per cent at constant prices.

b) An annual increase in mineral exports of 13.7 per cent.

c) The raw materials required by the Aryamehr steel mill, the Sar Cheshmeh Copper smelter, and other steel mills will be obtained directly from the country's mines. Similar supplies will be obtained for zinc, lead and chromite if studies prove the viability of establishing such metal concentration and smelting plants.

4. Investment and Allocations

Investment in mining has been projected at 50 billion rials of which 46.5 billion rials or about 94 per cent will be provided out of development funds and the rest by the private sector.

The Government will offer financial assistance to the private sector to the amount of 2 billion rials by setting up a special mining fund or through mining branches of specialised banks. The Government will invest independently or in conjunction with private interests to provide link roads, water and power supply and transport for mining.

Mining allocations under the Fifth Plan by the Government will total 47.3 billion rials (17.3 billion rials in the Fourth Plan).

TABLE 1
MINING ALLOCATION UNDER THE FIFTH PLAN

(Figures in billions of rials)

Title of Plan	Current Allocations	Development Allocations	Total Allocations
1. Exploration and Geology	–	8.00	8.00
2. Mine Equipment	–	35.50	35.50
3. Technical Aid to Mines	–	1.00	1.00
4. Financial Aid to Private Mines	–	2.00	2.00
5. General Services and Supervision	0.85	–	0.85
Total	0.85	46.50	47.35

TABLE 3
GOVERNMENT INVESTMENT IN MINES

(Figures in millions of rials)

Project	Development Fund	Other Sources	Total Investment
1. Sar Cheshmeh Mine and Floatation	20,000	–	20,000
2. Steel Mill	13,500	–	13,500
3. Geological Surveys	1,000	–	1,000
4. Mineral Explorations	7,000	–	7,000
5. Aid to Mining Firms*	1,000	–	1,000
6. Equipping Government Mines	2,000	300	2,300
7. Transfer to the Private Sector	2,000	–	2,000
Total	46,500	300	46,800

* Includes purchase of stationary and mobile drilling and boring equipment, physical and chemical ore concentration (floatation) equipment, geophysical and geochemical studies to assess mineral deposits, technical feasibility and economic viability studies to reduce capital investment risks in mining.

TABLE 2
FIXED INVESTMENT IN MINING

(Figures in billions of rials)

Title of Plan	Public Sector (1)	(2)	(3)	Private Sector (4)	(5)	(6)	Total (7)
1. Exploration and Geology	8.00	–	8.00	–	–	–	8.00
2. Mine Equipment	35.50	0.30	35.80	3.20	–	3.20	39.00
3. Technical Aid to Mines	1.00	–	1.00	–	–	–	1.00
4. Financial Aid to Private Mines	–	–	–	–	2.00	2.00	2.00
Total	44.50	0.30	44.80	3.20	2.00	5.20	50.00

(1) Funds provided from development allocations
(2) Funds provided by the agencies concerned out of their own income
(3) Total of (1) and (2)
(4) Funds provided out of private savings
(5) Funds supplied from development allocations
(6) Total of (4) and (5)
(7) Grand Total

I.L.O. TEHERAN B.I.T.

CHAPTER XI
PETROLEUM

1. Basic Objectives

The basic objectives of the Oil Fifth Plan are:

a) to provide oil products and to regulate distribution in cities, towns and villages;

b) to introduce better economic balance especially by substituting natural gas for distilled products;

c) direct penetration of world markets of crude and refined oil through participation in refining, marketing and distribution in major consumption areas;

d) preservation of oil and gas deposits through supervision to ensure proper exploitation and timely development.

e) expansion of exploration activities; and

f) increasing oil revenues.

2. Overall Policies

In view of the possible fluctuations in future in the world monetary situation, a proper basis should be established for posted prices in order to guard against the effects of devaluation or inflation.

3. Specific Targets

3.1 CONSUMPTION

Oil products consumption in the country will rise at an annual rate of 13.2 per cent from 13.2 million cu.m. in the first year to 24.5 million cu.m. in the last year of the Fifth Plan.

3.2 REFINING

Refining capacity in the last year of the Fourth Plan is 14 million cu.m. of crude oil (for domestic consumption), giving an average of 242,000 barrels a day. By the end of the Fifth Plan this is to rise to 28.4 million cu.m., or 490,000 barrels a day. Two new refineries will be commissioned during the Fifth Plan and two more are envisaged for the Sixth Plan.

3.3 TRANSPORT

The second Ahwaz-Tehran pipeline and the Tehran-Tabriz pipeline will be commissioned.

A branch pipeline will be built for the second Ahwaz-Tehran pipeline and a new pipeline construction is to begin. The total pipeline construction will amount to 11,000 inch-kilometres.

3.4 DISTRIBUTION

Some 860,000 cu.m. of new tank capacity will be built to store oil products for distribution, especially at airports and Persian Gulf islands.

3.5 RESEARCH

Research will be conducted on general and specific projects related to the oil industry, including new research stations, to measure air and water pollution; use of mulch and similar products in agriculture and in soil stabilisation.

3.6 EXPLORATION

This will be undertaken by NIOC and other operating companies. NIOC will drill ten exploratory wells and carry out other field geological and geophysical tests.

3.7 PRODUCTION AND EXPORT

Production will rise from 302 million cu.m. (5.2 million barrels a day) in 1351 to about 482 million cu.m. (8.3 million barrels a day) in 1356. Oil exports will rise from 288 million cu.m. (4.9 million barrels a day) to 440 million cu.m. (7.6 million barrels a day) in the same period.

3.8 OVERSEAS OPERATION

NIOC will take the following measures to obtain steady markets abroad:

- oil exploration and production in the North Sea;
- participation in West European oil refineries at the rate of 100,000 barrels a day (5.8 million cu.m. a year);
- participation in oil refining and distribution on new markets to the minimum amount of 17.4 million cu.m. a year (300,000 barrels a day);
- providing a part of crude required by the Madras and South African refineries;
- increasing the tanker fleet tonnage from 183,500 tons to about 1 million tons.
- utilising international pipeline projects in consumer countries.

4. Investment and Allocations

Capital investment in the oil industry during the Fifth Plan will amount to 330.6 billion rials of which 130.7 billion will come from development funds, 60.2 billion from NIOC, and 139.7 billion rials from the Iranian Oil Operating Companies and other oil companies.

Table 1
OIL ALLOCATIONS IN THE FIFTH PLAN
(Figures in billions of rials)

	Development Allocations		
	Fixed	Non-Fixed	Total
1. Exploration	–	–	–
2. Production and Refining	57.6	–	57.6
3. Transportation and Distribution	27.0	0.1	27.1
4. Research and Studies	–	0.4	0.4
5. Non-Basic Affairs	–	–	–
6. Overseas Operations	37.9	–	37.9
7. Investment in Affiliated Companies	7.7	–	7.7
Total	130.2	0.5	130.7

TABLE 2
FIXED INVESTMENT IN THE OIL INDUSTRY
(Figures in billions of rials)

Title of Plan	Public Sector			Private Sector			Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Exploration	–	0.5	0.5	–	–	–	0.5
2. Production and Refining	57.6	–	57.6	–	–	–	57.6
3. Transportation and Distribution	27.0	–	27.0	–	–	–	27.0
4. Non-Basic Affairs	–	8.0	8.0	–	–	–	8.0
5. Overseas Operations	37.9	33.1	71.0	–	–	–	71.0
6. Investment in Affiliated Companies	7.7	18.6	26.3	–	–	–	26.3
7. Investment in other Companies	–	–	–	139.7	–	139.7	139.7
Total	130.2	60.2	190.4	139.7	–	139.7	330.1

(1) Paid out of development funds
(2) Paid out of the private income of establishments concerned
(3) Total public sector fixed investment (1) + (2)
(4) Paid out of private savings
(5) Paid out of development funds (loaned to the private sector)
(6) Total private investment (4) + (5)
(7) Grand Total

I.L.O. TEHERAN B.I.T.

CHAPTER XII

GAS

1. Basic Objectives

The basic objectives of the Gas Industry during the Fifth Plan are:

a) greater exploitation of the Iranian gas deposits to provide more energy (fuel) and more raw materials;

b) expansion of gas exports;

c) increased efficiency of the gas industry investment.

2. Overall Policies

The following policies will be applied during the Fifth Plan to the gas industry:

a) provision of maximum facilities for the construction of gas pipelines and gas distribution networks by the Ministry of Roads and municipal authorities. In this connection, restricting regulations governing digging of roads and streets, or the right of way for pipelines, should be modified and the Ministry of Roads and the municipalities should extend their full cooperation

b) domestic and commercial consumers of natural gas will be encouraged to use more natural gas through various incentives in order to reduce the initial costs of production.

c) financial facilities will be provided (in the form of instalment payment of the cost of gas mains connection, bank credits, etc.) for gas consumers as the case may require.

d) the level of knowledge of the present staff employed by the gas industry will be raised and new staff will be trained in order to overcome some of the shortcomings in quality and quantity of the manpower used in the industry.

e) the rates charged for domestic and commercial consumption of natural gas will be reviewed to relate it to the amount of gas consumption.

f) period gas delivery service will be introduced for industrial and power (electricity) consumption at rates attractive to the customers in order to regulate and maximise the turnover of gas delivery installations.

g) complete safety provisions will be established in the gas delivery systems.

3. Specific Targets

3.1 NATURAL GAS CONSUMPTION

The share of natural gas in the total power consumption in Iran will rise from 18 per cent in 1351 to 27.5 per cent by 1356. Natural gas consumption as a basic energy source will thus increase from 3 billion cu.m. to 9 billion cu.m. in this period. Detailed projections are shown below:

Type of Consumer	Amount
Domestic and Commercial	580 million cu.m.
Rural Areas	50 million cu.m.
Electricity (both public and petrochemical plants, power generators)	3,060 million cu.m.
Other Industries	2,800 million cu.m.
Fuel for Compressors	240 million cu.m.
Oil fields	630 million cu.m.
Abadan Refinery	950 million cu.m.
Petrochemical Industry (to produce steam)	490 million cu.m.
Total	8,800 million cu.m.

With the introduction of domestic and commercial gas piped supply in urban centres, urban consumption is projected to reach around 600 million cu.m. by 1356, most of it replacing medium distilled products such as kerosene and gas oil.

3.2 LIQUID PETROLEUM GAS (LPG)

Demand for LPG in Iran will almost double between 1351 and 1356, rising to 230,000 tons.

3.3 EXPORTS

Gas exports by 1356 are expected to be as follows:

Exports to USSR by NIOC	10 billion m^3
Gachsaran gas via Kharg by Iran-Japan	4 million tons
Kangan gas exports by Iran-US Co.	7.2 million tons
Exports via Mahshahr by Consortium	1.4 million tons
LPG exports via Kharg (by Kharg Petrochemical Company)	0.3 million tons
Possible exports of LPG from Qishm Island to Japan	4 to 6 million tons

3.4 SPECIFIC PROJECTS

The following projects are expected to be carried out during the Fifth Plan period:

- continuation of Phase II operations of the Trans-Iranian Gas Pipeline.
- construction of a new gas pipeline for domestic supply
- construction of the Qishm-Bandar Abbas gas pipeline
- construction and expansion of urban gas supply networks for domestic, commercial and industrial users.
- gas supply to villages along the route of the gas trunk pipeline.

3.5 SPECIFIC EXPORT PROJECTS

- LNG export from Gachsaran, Pazanan, Rageh-Sefid and Binak via Kharg terminal. This project is to be carried out by the National Iranian Gas Company and a Japanese company, involving 44 billion rials in investment. Exports will amount to 4 million tons a year.
- export of gas from the relinquished area of DOPCO in the Persian Gulf via Kangan port. The project is to be carried out by NIGC and an American company and will involve 7.2 million tons of gas a year. Investment has been estimated at 50 billion rials.
- a possible project to export LNG from the Qishm Island.

4. Investment

Gas industry investment during the Fifth Plan has been projected at 131.5 billion rials consisting of 29 billion rials out of development funds, 55.5 billion rials by NIGC and 47 billion rials by foreign partners. Tables 1 and 2 respectively show allocations and fixed investment.

TABLE 1
ALLOCATIONS FOR THE GAS INDUSTRY
(Figures in billions of rials)

Title of Plan	Current Allocations	Development Allocations	Total Allocations
1. Refining	–	1.8	1.8
2. Gathering and Transport	–	24.5	24.5
3. Distribution	–	2.2	2.2
4. Rural Supply	–	0.5	0.5
Total	–	29.0	29.0

TABLE 2
FIXED INVESTMENT IN THE GAS INDUSTRY
(Figures in billions of rials)

Title of Plan	Public Sector			Private Sector			Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Refining	1.8	0.2	2.0	–	–	–	2.0
2. Gathering and Transport	24.5	1.5	26.0	–	–	–	26.0
3. Distribution	2.2	5.8	8.0	–	–	–	8.0
4. Rural Supply	0.5	–	0.5	–	–	–	0.5
5. LNG Exports	–	47.0	47.0	47.0	–	47.0	94.0
6. Non-Basic Operations	–	1.0	1.0	–	–	–	1.0
Total	29.0	55.5	84.5	47.0	–	47.0	131.5

(1) Paid out of development funds
(2) Paid out of private income of establishments concerned
(3) Total public sector investment (1) + (2)
(4) Paid out of private savings
(5) Paid out of development funds (loaned to private sector)
(6) Total private fixed investment (4) +(5)
(7) Grand Total

I.L.O. TEHERAN B.I.T.

CHAPTER XIII
ELECTRICITY

1 Basic Objectives

The basic objectives of the power industry during the Fifth Plan will be as follows:

a) to provide electric power for industrial, agricultural, domestic, commercial and other purposes;

b) to improve the quality of power supply, to reduce generation costs through larger power stations, expansion of the national grid; and supply to rural areas;

c) to improve management and organisation as well as productivity in the power industry.

2. Overall Policies

2.1 MANAGEMENT

To improve management and organisation, the following measures will be taken:

a) a) increasing productivity by adopting modern administrative procedures, training managers and adopting modern technology;

b) improving financial and accounting methods and standard procedures in all power authorities;

c) management of power generation, transmission and distribution through power authorities (companies) affiliated with the Ministry of Water and Power so that by the end of the Fifth Plan all power installations in towns and villages would be under the Ministry. In implementing this policy, priorities will be observed on the basis of such factors as population and power consumption;

d) training of electrical workers will be given special attention so that Iranian experts would gradually replace foreigners completely by the end of the Fifth Plan. To achieve this, in addition to the conventional means, training will also be given during the manufacture, installing and test running of electrical establishments, work with foreign experts, and in special short courses.

2.2 EXPANSION

Expansion of power installations will be sought through the following measures:

a) expansion of the power industry within the framework of a comprehensive and integrated plan for fuel and power;

b) basic studies to set up nuclear power stations in Iran;

c) efforts will be made to build new Power stations near oil refineries or pipelines or sources of natural gas in order to reduce air pollution in urban and industrial areas and reduce fuel costs for power generation; and so that heavy fuel oils or natural gas can be used in the power stations;

d) every effort will be made to standardise power generation, transmission and distribution throughout the country in order to improve operation and reduce costs;

e) expansion of power distribution networks will take place according to comprehensive plans. Where the cities or towns have comprehensive town plans, such expansion should be according to the plans; but where such plans do not exist, extension will be according to distribution plans;

f) extension of power distribution in rural areas will be according to a comprehensive plan in conjunction with other plans and under supervision of regional power authorities.

2.3 IMPROVEMENT OF OPERATION

Measures envisaged to improve operation of the power installations will include:

a) raising the load factor through increased industrial and rural consumption;

b) providing customers with improved quality and reliable supply;

c) giving priority to different types of supply, i.e. electricity should be cheaper than any other type of power available to customers.

2.4 ELECTRICITY TARIFFS

Work done during the Fourth Plan to draw up proper tariffs for electricity will continue during the Fifth Plan, generally on the following basis:

- tariffs for different types of consumers will be based on cost plus a reasonable profit;
- provision of the entire cost of future expansion of the power industry through its own resources over a long period;
- modification of the tariffs in order to harmonise the electricity rate in all regions of the country.

2.5 FINANCIAL RESOURCES

In view of the improved management and efficiency in the electricity industry, it is quite possible to raise funds for the further expansion of the industry, but in view of the high cost of electric generation which makes it commercially uneconomical, investment in rural areas will be undertaken out of government financial resources (rather than the local electricity authorities).

2.6 CO-ORDINATION

A central and effective system will be developed to co-ordinate all aspects of the fuel and power industries.

3. SPECIFIC TARGETS

3.1 CONSUMPTION GROWTH

Consumption of electric power will rise at an average rate of 21 per cent per annum, from 9,100 million KWH in 1351 to 23,790 million KWH in 1356. Public power stations are expected to provide 21,570 million KWH of the total in 1356; the remainder generated by the private power stations of industrial enterprises. Thus, the growth of the public power supply operated by the Ministry of Water and Power will be 27.5 per cent per annum.

The per capita power consumption growth will be 17.7 per cent per annum – from 292 KWH in 1351 to 661 KWH in 1356.

Power generated by the public power stations will rise from 8,000 million KWH in 1351 to 25.9 million KWH in 1356. Details of the types of power generation in 1356 are as follows:

Hydroelectric generators		
	7,250 million KWH	28.0 per cent
Steam generators		
	17,300 million KWH	66.8 per cent
Gas and Diesel generators		
	1,350 million KWH	5.2 per cent
TOTAL		
	26,900 million KWH	100.0 per cent

3.2 GENERATION STATIONS

The installed capacity of the public power generation stations will rise from 2,206 megawatts in 1351 to about 6,200 megawatts in 1356.

Power generation capacity totalling 1,878 megawatts purchased and installed during the Fourth Plan, will be commissioned during the Fifth Plan. During the Fifth Plan it will also be be necessary to install new power stations with a total installed capacity of 2,351 megawatts; but in view of the time lapse required between planning and commissioning, action will be taken during the Fifth Plan to set up installed capacity totalling 3,100 megawatts, the balance of which will be commissioned during the Sixth Plan.

Details of the installed capacities are given below:

(Figures in Megawatts)

Type of Generators	1351 Operating	Under Construction	Phased Out	New Generators	1356 Total
Steam	867	878	–(25)	1,900	3,620
Hydro-electric	803	1,000	(–)	20	1,823
Gas	196	–	–(40)	280	436
Diesel	340	–	–(170)	151	321
Total	2,206	1,878	–(235)	2,351	6,200

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3.3 TRANSMISSION LINES

Power transmission lines will be expanded throughout the country connecting all major centres of power generation to consumption regions. The power transmission lines will increase from 3,343 Km in 1351 to about 10,000 Km in 1356 as follows:

Power Line	Length in 1351 (in kilometers) Complete	Length in 1351 (in kilometers) Under Construction	Projected Length in 1356 (in kilometers)
400-KV lines	–	–	1,438
230-KV lines	1,784	1,065	6,231
132-KV lines	1,559	750	2,309

3.4 DISTRIBUTION NETWORKS

Power distribution networks will be expanded in all cities and towns in order to improve supply, increase reliability and to meet all urban demand for power.

3.5 RURAL SUPPLY

Rural power supply programme during the Fifth Plan will seek two targets within a long-term plan:

First	to raise the living standard and to provide electricity for lighting and other domestic requirements; and
Second	to provide supply for agriculture, irrigation, and cottage industry.

In view of the problems of installing and operating small diesel generators and the projections of future increase in consumption, priority will be given to rural power supply network while small diesel generators will be installed only in those towns and villages which are too distant from major power generation centres and supply lines.

Rural electricity will be supplied to all rural development zone centres (of which there will be 1,180) and their surrounding villages. In addition to these, some 200 villages needing electric power will also be supplied.

4. Investment and Allocations

Investment in the electric power industry during the Fifth Plan has been estimated at 119.5 billion rials. The electricity authorities are expected to invest 66 billion rials out of their own income and the depreciation funds, with the remaining 53.5 billion being provided out of development funds. The cost of expansion of the hydro-electric installations have been included in the Chapter on Water Resources Development; and the cost of training is included in the Chapter on Education.

Tables 1 and 2 respectively show development allocations and fixed investment in the power industry under the Fifth Plan.

TABLE 1
ALLOCATIONS FOR ELECTRICITY

(Figures in billions of rials)

	Current Allocation (1)	Development Allocations Fixed (2)	Non-Fixed (3)	Total 3 (2 + 3)	Total 5 (1 + 4)
1. Generation	–	21.0	–	21.0	21.0
2. Transmission	–	11.9	–	11.9	11.9
3. Distribution	–	13.1	–	13.1	13.1
4. Rural Electricity	–	6.5	–	6.5	6.5
5. Studies and Research*	–	0.3	0.7	1.0	1.0
6. Supervision	1.0	–	–	–	1.0
Total	1.0	52.8	0.7	53.5	54.5

* Allocations for training of personnel for the electric power industry are included under the Chapter on Education. Expansion of the hydroelectric installations are accounted for in the Chapter on Water Resources Development.

TABLE 2
FIXED INVESTMENT IN ELECTRICITY

(Figures in billions of rials)

	Public Sector (1)	(2)	3 (1 + 2)	Private Sector (4)	(5)	6 (4 + 5)	Total 7 (3 + 6)
1. Generation	21.0	21.7	42.7	–	–	–	42.7
2. Transmission	11.9	10.4	22.3	–	–	–	22.3
3. Distribution	13.1	33.9	47.0	–	–	–	47.0
4. Rural Electricity	6.5	–	6.5	–	–	–	6.5
5. Research and Studies	0.3	–	0.3	–	–	–	0.3
6. Supervision	–	–	–	–	–	–	–
Total	52.8	66.0	118.8	–	–	–	118.8

(1) Paid out of development funds
(2) Paid out of the private income of establishments concerned
(3) Total public sector investment (1) + (2)
(4) Paid out of private savings
(5) Paid out of development funds (loaned to private sector)
(6) Total private fixed investment (4) + (5)
(7) Grand Total

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CHAPTER XIV

TRANSPORT AND COMMUNICATIONS

1. Basic Objectives

The basic objectives for communications during the Fifth Plan, in the light of the objectives of the country's socio-economic development and the needs created by the expansion of transportation, will be as follows:

- provision of the communication infrastructure needed for the development of land, marine and air transportation;
- contribution to the development of potential regions and indusrial, agricultural and tourist centres; and
- removal of obstacles on the path of socio-economic development of distant regions of the country.

The principle to be observed is that the creation of communication means and facilities such as road and railway networks or ports and airports alone is not sufficient and that special attention should also be paid to the problem of maintenance of the facilities and means of communication, training of specialised staff and exercise of proper administration.

2. Overall Policies and Courses

2.1 ROAD CONSTRUCTION AND MAINTENANCE

The executive policies and courses related to the construction and maintenance of roads shall be:

- to create centralisation and coordination in transport activities, studies will be undertaken under the Fifth Plan for the separation of executive duties concerning road construction and maintenance on the one side and the duties concerning the comprehensive transport policies application on the other, within separate organisations and based on the results of the said studies.
- Strict controls will be applied to the weight and axle pressure of heavy vehicles on all roads in order to prevent the destruction of the roads.
- Compilation of traffic statistics on all roads.
- In the case of the important highways and bridges to be built during the Fifth Plan parallel with the existing axes, efforts will be made to finance all or part of the cost of their construction by road toll collected from the highway users.
- All the roads will be constructed by the Ministry of Roads, but under exceptional circumstances, when other government agencies will build roads under special projects, all the roads constructed will form a harmonious network.
- In order to avoid excessive capital investment by private contractors in heavy road building machinery, which cause higher unit cost of road construction, provisions are made in the Fifth Plan to meet the contractors' needs by hiring road building machinery from co-operatives assigned to obtain and maintain such machinery.
- With the steady expansion of the roads network, road maintenance becomes a heavy responsibility; and overall review of the methods of planning, execution, administration and training will be necessary for the Department General of Road Maintenance in order to properly discharge such responsibility. Studies will be undertaken during the Fifth Plan to determine, in all aspects, the best road maintenance method. Based on these studies, the Ministry of Roads' road maintenance organisation will be strengthened and equipped in a manner to enable it to discharge such a heavy responsibility. Meanwhile, in order to avoid any interruption in road maintenance, no funds allocated to road maintenance or road maintenance staff and equipment will be diverted to road construction during the Fifth Plan.

2.2 RAILWAYS

Necessary studies will be made to determine whether the Iranian State Railways should operate as a commercial corporation function on proper administrative, technical and financial principles. Action will be taken on the basis of the results of these studies.

Generally, a basic review is necessary in the management, planning, marketing and accounting methods of the Railways; and in its financial relationship with other government agencies so that the Railways may be able to play their principal role as a major medium of communication with greater efficiency.

2.3 PORTS

In view of the substantial capital investment projected for port development and equipment during the Fifth Plan, it is essential place special emphasis on port administration, training of technical personnel and provision of the required manpower.

One of the major objectives of the ports plan will be to raise the efficiency of commercial ports and improve the quality of port installations maintenance in order to increase the return on investments as much as possible. In order to attain these objectives, studies will be undertaken to separate:

- administration of ports and shipping affairs
- port operation and cargo handling

2.4 CIVIL AVIATION

A general review of the organisation and service regulations of the Department General of Civil Aviation will be necessary in order to remove the difficulties on the path of proper operation of the airports which have disrupted such operations. At the same time, studies will be undertaken to separate:

- administration of airports and civil aviation
- operation of airports

under different organisations. Action will be taken on the basis of the results of these studies. Meanwhile, in view of the importance of the proper and timely maintenance and action will be taken during the Fifth Plan to transport a part of the airport maintenance operations to the private sector.

IRAN AIR, which is a commercial enterprise, will be required to pay landing fees and other airport fees at all airports of the country. At the same time, it will repay the sums which it is to utilise out of development plan funds for the purchase of aircraft.

3. Targets and Definite Plans

3.1 MAJOR ROADS

At the end of the Fourth Plan, the total length of asphalted roads in operation is 12,500 Km. In view of the need to complete the network of major roads and to establish communication among major population centres and between agricultural, industrial and mining centres and their principal markets; the link-up of ports to the interior, and to provide communication with tourist centres, in addition to the completion of incomplete work under the Fourth Plan (Table 1), 5,600 Km of new major roads will also be built.

The new major roads have been divided into two groups in the light of their priorities. Group I (Table 2) consist of 2,900 Km of high priority roads which will be completed under the Fifth Plan. Group II (Table 3) consist of 2,700 Km of low priority roads whose construction will begin during the second half of the Fifth Plan and will be completed during the Sixth Plan. With the implementation of the major roads programme, the total length of operational asphalted major roads at the end of the Fifth Plan is projected at about 19,000 Km.

The outline of the major roads under the Fifth Plan is given in Table 4.

TABLE 1
INCOMPLETED OPERATION OF FOURTH PLAN TO BE COMPLETED UNDER FIFTH PLAN

No.	Road	Length (Km.)	Allocation (Million Rials)
I.	Tehran-Qum (repair existing road)	140	150
2.	Tehran-Shahrud-Meshed	570	1,070
3.	Pahlavi-Astara-Ardebil	225	620
4.	Tabriz-Ahar-Ardebil-Sarab-Bostanabad	400	1,200
5.	Kerman-Bam-Mirjaveh	600	1,200
6.	Saqqez-Miandoab-Rezaiyeh-Khoi-Oghlu	390	2,400
7.	Nain-Yezd	180	520
8	Shiraz-Bushire	100	1,650
9.	Karaj-Qazvin Freeway (first two lanes)	100	350
10.	Shahabad-Ilam-Mehran	230	900
11.	Masjid-e Suleiman-Shushtar junction	42	330
12.	Zirab-Shahi	40	100
13.	Sanandaj-Hamadan	157	960
14.	Darzin-Sabzevaran	61	650
15.	Saveh-Ravan	150	300
16.	Isfahan Highway-Steel Mill Highway	25	500
17.	Ahwaz-Darkhwain-Abadan	120	1,200
18.	Kerman-Zarand	90	400
19	Safety of the Haraz and Chalus Roads	–	300
	Total	3,620	14,800

I.L.O. TEHERAN D.I.T.

TABLE 2
NEW OPERATIONS UNDER THE FIFTH PLAN TO BE COMPLETED DURING THE PLAN

No.	Road	Length (Km.)	Allocation (Million Rials)
1.	Tehran-Qum Freeway	130	3,600
2.	Karaj-Qazvin Freeway (2nd two lanes)	100*	1,500
3.	Tehran-Gachsar and Karaj-Chalus	210	3.780
4.	Tehran-Rudhen-Damavand-Abali (2 lanes)	73	800
5.	Damavand-Firoozkuh-Zirab	150	1,800
6.	Tehran approachs and by-passes	100	1,500
7.	Tabriz-Miandoab and Bonab-Maragheh	190	1,130
8.	Sar Bandar-Bandar Shahpour	12	120
9.	Rafsanjan-Sar Cheshmeh-Khatunabad	100	800
10.	Sirjan-Shahr Babak-Anar	200	1,250
11.	Rudan-Sabzevaran	173	1,500
12.	Nain-Kashan	227	1,280
13.	Ramsar-Sari (widening of road & bridge building)	260*	520
14.	Approaches and by-passes for cities and towns on the main axes	250	2,500
15.	Yezd-Kerman (finishing asphalt)	320*	600
16.	Meshed-Gonabad-Birjand	500	1,750
17.	Qazvin-Boein-Saveh	155	920
18.	Shiraz-Darab-Kahgom	430	2,100
19.	Incidental operations	–	1,250
Total		2,900	28,700

* *These roads have not been included in the total as they have already been accounted for elsewhere or are already in existance.*

TABLE 3
NEW OPERATIONS UNDER FIFTH PLAN TO BE COMPLETED UNDER THE SIXTH PLAN

No.	Road	Length (Km.)	Total Allocation (Million Rials)	Fifth Plan Allocations (Million Rials)
1.	Isfahan-Ahwaz	240	3,120	1,870
2.	Ahwaz-the Shiraz-Bushire Highway	260	1,820	1,090
3.	Babolsar-Farahabad	50	500	300
4.	Ahwaz-Shushtar-Dezful-Andimeshk	185	1,110	555
5.	Mianeh-Miandoab	200	2,000	1,000
6.	Arak-Khomein-Golpaygan and Khomein-Mahallat	150	1,050	525
7.	Shahpasand-Chel Dokhtar	85	510	205
8.	Mianeh-Fumen	200	4,000	1,600
9.	Isfahan-Azna-Hamadan-Khorramabad axes	310	1,550	465
10.	Qushan-Bajgiran	80	800	240
11.	Mazandaran coastal road	320	4,500	700
12.	Zahidan-Zabol-Birjand	445	1,560	250
13.	Meshgin Shahr-Parsabad	175	1,350	200
	TOTAL	2,700	23,870	9,000

TABLE 4
OUTLINE OF MAJOR ROAD PROGRAMMES IN THE FIFTH PLAN PERIOD

Description of Operation	Allocation (Million Rials)
1. Completion of unfinished Fourth Plan operations	14,800
2. New major road construction:	
• Roads to be built and completed during the Fifth Plan	28,700
• Roads to be started in Fifth Plan and finished in the Sixth Plan	9,000
3. Studies, Research and Statistics	1,500
Total	54,000

3.2 SECONDARY AND FEEDER ROADS

In a vast country such as Iran where major centres of population and consumption are located distantly from major centres of production, secondary and feeder roads are of great importance in providing communication link among agricultural, industrial and mining regions and in allowing exploitation of forests, and finally, in raising the level of education and health in rural areas.

At the end of the Fourth Plan the total length of secondary and feeder roads in operation is around 12,000 Km. During the Fifth Plan, to complete operations began during the earlier plans for the expansion of the secondary roads network, in addition to those started during the Fourth Plan, there will be 12,000 Km of new secondary roads, of which 7,500 Km will be completed by the end of the Fifth Plan and the remaining 4,500 Km will be left for the Sixth Plan.

In respect of a number of secondary roads, built or projected in the Plan, which form the axes of provinces (ostans) or cities or towns (shahrestans) and bear a relatively heavy traffic, measures will be taken to prevent their destruction and to facilitate their maintenance.

For this purpose, provisions have been made in the Fifth Plan to repair and provide penetration asphalting for 4,000 Km of secondary roads built under the past Plans and penetration asphalting for 3,000 Km of secondary roads built under the Fifth Plan.

A general programme of the Fifth Plan secondary roads is given in Table 5.

I. L. O. TEHERAN B. I. T.

TABLE 5
GENERAL PROGRAMME OF SECONDARY ROADS UNDER THE FIFTH PLAN

Description of Operation	Length (Km)	Allocation (Million Rials)
1. Completion of roads not finished in the Fourth Plan	3,500	6,400
2. Construction of new roads:		
• Roads started and completed under the Fifth Plan	7,500	15,000
• Roads started under Fifth Plan and completed under the Fifth Plan	4,500	5,700
3. Repair and penetration asphalting of secondary roads built in past Plans	4,000	2,800
4. Penetration asphalting of secondary roads built under the Fifth Plan	3,000	1,200
5. Studies and Research	–	900
Total	–	32,000

3.3 ROAD MAINTENANCE

In view of the heavy investments made in the past Plans for the construction of major and secondary roads, the timely and proper maintenance of the existing roads will have top priority. The total capital allocation projected from the development funds for road maintenance during the Fith Plan will be 10 billion rials as given in Table 6. Parallel with this, and utilisation of the purchased machinery, the maintenance department's budget out of the normal government budget will also be increased proportionately. Furthermore, provisions have been made in the chapter on Education to train the technical staff needed for road maintenance during the Fifth Plan.

TABLE 6
ROAD MAINTENANCE DURING THE FIFTH PLAN

Description of Operation	Allocation (Million Rials)
1. Completion of unfinished work under the Fourth Plan; and re-asphalting of 3,000 Km of new asphalt roads through contractors	6,500
2. Supply of road maintenance machinery for the Ministry of Roads	3,500
Total	10,000

3.4 RAILWAYS

The Railways' Fifth Plan has been drawn up with a view to the need to meet the requirements of the Aryamehr Steel Mill, and with due regard to the volume of foreign trade as well as to the need to establish the necessary link between the Trans-Iranian network and the ports.

The major activities of the Railways Fifth Plan can be described as follows:

a) Completion of unfinished Fourth Plan operations.

These include purchase of equipment for rail-laying and rolling stock (wagons, locomotives, etc.), renewal of old and worn-out lines and adapting them to the newly-laid lines and also the electrification of the Tabriz-Julfa line. The required funds for the completion of unfinished Fourth Plan operations during the Fifth Plan amount to 7.7 billion rials of which 4 billion rials relate to the purchase of materials and renewal of lines and will be repaid by the Iranian State Railways.

b) In view of the plan to expand the Aryamehr steel mill capacity to 1.9 million tons by the end of the Fifth Plan, the Zarand-steel mill railway line will be proportionally increased in handling capacity. On the basis of the technical feasibility and economic viability studies now being undertaken, the line will be made dual-track or electrified. The allocated fund for this operation will be 5 billion rials.

c) Zarand-Kerman-Bandar Abbas Line

This consists of about 730 Km of main and branch lines between Zarand, Kerman and Bandar Abbas. Construction will begin after completion of technical feasibility and economic justification studies in the light of mineral ore export potentials. The cost of the line, including supply of equipment, rolling stock, communication equipment, electric signals, etc. has been estimated at around 14 billion rials which has been included in the Fifth Plan allocations.

d) Farahabad-Sari Line
If during the Fifth Plan, priority is given to the construction of a new port on the Caspian (Farahabad port) to cope with the increased trade exchanges through the Caspian Sea, it would be necessary to link the port to the Trans-Iranian railway network by a 50 Km line between Sari and Farahabad. The projected cost of this line under the Fifth Plan is 600 million rials.

e) Railway Overhead Bridges
In cities and towns on the old railway lines, lack of overhead crossings have created difficulties overhead crossings under the Fifth Plan. The projected allocation for the construction of such crossings under the Fifth Plan is 700 million rials.

f) Bandar Shahpur Goods Depot
In view of the projected increase in Bandar Shahpur port capacity during the Fifth Plan and the important part played by the railway in handling imports and exports, a good depot is to be built at this port. The projected cost of about 200 million rials has been provided out of Fifth Plan funds.

g) New Customs Houses
Since the present capacity of the Tehran customs is in no way sufficient to handle all the goods brought to Tehran by railway, and since the existing customs cannot be expanded for various reasons, provisions have been made in the Fifth Plan for the construction of a new customs house outside the Tehran Metropolitan Area. The necessary fund allocation has been made in the chapter on Government Construction. Similar provisions have been made for the training of technical personnel for railways under the chapter on education.
A general outline of the Railway Programme during the Fifth Plan is given in Table 7.

3.5 PORTS AND SHIPPING

In view of the economic growth over the coming years and its dependence on the growth of trade, the volume of imports and exports is projected to rise to 9.7 million tons in 1356 (1977-78) and to 13.3 million tons in 1359 (1980-81).

The required port capacity for the country by the end of the Fifth Plan has been projected at 7.75 million tons a year, calculated on the assumption that 80% of all imports and exports will pass through the ports. It has also been estimated that of this, about 2.5 million tons will be the import and export of mineral ores and cement.

TABLE 7
GENERAL OUTLINE OF RAILWAY PROGRAMME IN THE FIFTH PLAN

Description of Operation	Allocation (Million Rials)
1. Commitments under the Fourth Plan	7,700
2. Expanding and equipping the steel mill lines	5,000
3. Zarand-Kerman-Bandar Abbas line	14,000
4. Zari-Farahabad line	600
5. Railway overhead bridges in cities	700
6. Bandar Shahpur Railway Goods Depot Depot	200
7. Studies and Research	800
Total	29,000

The ports and shipping plan's objective will be firstly to prepare the required handling capacity by 1356 and secondly, to take measures to ensure that the port capacity required for the first years of the sixth plan would be ready in time.

Major operation for ports and shipping under the Fifth Plan will be as follows:

a) Completion of unfinished Fourth Plan Operations.
Major operations under the Fourth Plan whose completion will be left until the Fifth Plan consist of the construction of repair shop, warehouse and auxilliary buildings at Bandar Abbas, dredging of the Bushire channel; construction of warehouse, administrative building and four new jetties at Bandar Shahpur, expansion of the Pahlavi and Nowshahr ports and purchase of cargo handling equipment for all ports. The total cost of completing these operations under the Fifth Plan has been projected at around 6.5 billion rials.

b) 10 New Jetties at Bandar Shahpur
In addition to the four jetties now under construction, the Fifth Plan also provides for the construction of ten new jetties at Bandar Shahpur, as well as of a 60,000-ton grain silo in order to expedite the rapid unloading and distribution of imported grain.

I. L. TEHERAN B. I. T.

The cost of the ten jetties and the grain silo has been estimated at 6 billion rials which will be provided out of Fifth Plan funds.

c) Other Port Expansions
Other operations will be undertaken according to a comprehensive plan now being prepared for the Fifth Plan period, measures designed to expand ports and build new ports such as a mineral ore export terminal near Bandar Abbas or a new port (Farahabad) on the Caspian Sea.
The fund allocated for all these operations under the Fifth Plan amounts to 9.5 billion rials.

d) Development and Equipping of Small Harbours and Islands of the Persian Gulf and Sea of Oman and establishment of Shipping Lines
To assist in the development of small harbours and islands of the Persian Gulf by building wave-breakers and jetties and also to establish coastal shipping lines in the Persian Gulf and the Sea of Oman; funds amounting to 2 billion rials have been provided in the Fifth Plan.

e) Free Port
Studies are being made for the establishment of a free port. On the basis of the result of the studies, action will be taken during the Fifth Plan to establish such a port by utilising capital invested by specialised banks and the private sector.

f) Port Training Programmes
Provisions have been made in the chapter dealing with Education for the training of personnel, including technical staff, for the Ports and Shipping Authority and the Imperial Navy, in various specialised fields.

A general outline of the Fifth Plan for ports is given in Table 8.

3.6 AIRPORTS AND AVIATION

The airports and aviation Fifth Plan has been drawn up with due regard to increasing air traffic and the country's rising need for airports and aviation installations and equipment.

The airports and aviation Fifth Plan is divided into the following major parts:

a) Completion of unfinished Fourth Plan Operations
Some of the current airport construction programmes such as the Isfahan airport, expansion of the Mehrabad Airport; and installation of airport equipment, will be completed during the Fifth Plan. The fund required for such operations under the Fifth Plan is estimated at 2.3 billion rials.

b) Expansion of Existing Airports
With the increased air transportation activity and higher traffic at airports as well as the coming of new types of (commercial and military) aircraft, it is necessary to expand and equip the existing airports in terms of terminal buildings as well as runways, during the Fifth Plan. A sum of 7.2 billion rials has been allocated for this purpose.

c) New Airports Construction
Work will begin during the Fifth Plan on the construction of a new international airport for Tehran which should be ready for commissioning in 1359 (1980). It will be completed during the Sixth Plan. The fund allocation for the construction of this airport during the Fifth Plan will be 6 billion rials.
In the case of other domestic airports, airports will be built at Babolsar and Gorgan and the Nowshahr airport will be completed in view of Iran Air's plans to expand its network. The allocation made for all these amounts to 1.2 billion rials.

d) Construction of Small Airfields
In order to develop air cargo and mail transportation between cities and major provincial towns, and improve and facilitate communication between major industrial and agricultural centres, action will be taken during the Fifth Plan to build a number of second and third class local airfields. When these are completed, the private sector will be assigned to establish and maintain airlines for regular schedule flights between these local airfields and the airports at which Iran

TABLE 8
GENERAL OUTLINE OF PORTS AND SHIPPING PROGRAMME UNDER THE FIFTH PLAN

Description of Operation	Allocation (Million Rials)
1. Completion of unfinished Fourth Plan operations during the Fifth Plan	6,500
2. Construction of 10 new jetties and a transit grain silo at Bandar Shahpur	6,000
3. Other operations for commercial ports	9,500
4. Development and equipping of small harbours and islands in the Persian Gulf and establishment of shipping lines	2,000
5. Studies and Research	1,000
Total	25,000

Air operates. Funds allocated under the Fifth Plan for the construction of small airfields throughout the country amount to 1 billion rials.

e) Airport Repairs
Major repairs will be necessary for some airports during the Fifth Plan, for which 600 million rials have been allocated.

f) Purchase of the Concorde
In view of the Government's policy and decision to purchase three Concorde aircraft for Iran Air, a sum of 5.4 billion rials has been allocated for this purpose in the Fifth Plan. A general outline of the airports programme for the Fifth Plan is given in Table 9. The necessary provisions have been made in the chapter dealing with education for the training of technical aviation staff through the School of Civil Aviation and the Imperial Flying Club.

TABLE 9
GENERAL OUTLINE OF AIRPORTS PROGRAMME IN THE FIFTH PLAN

Description of Operation	Allocation (Million Rials)
1. Completion of Fourth Plan unfinished operations	2,300
2. Expansion of existing airports	7,200
3. Construction of new airports:	
• Tehran International Airport	6,000
• Other Airports	1,200
4. Construction of small local airfields	1,000
5. Major repairs to airports	600
6. Purchase of the Concorde	5,400
7. Studies and Research	800
Total	24,500

3.7 METEOROLOGY

The basic objectives of the meteorological plan during the Fifth Plan are:

- to complete the building of the Meteorological Centre at Mahrabad
- to build and equip observation towers at airports in the country
- to build and equip a meteorological transmission station at Bandar Abbas
- to build and equip radar and upper atmosphere observation towers at five airports
- to build and equip meteorological centres in seven regions of the country
- to build and equip weather stations (precipitation and evaporation measurement)
- to build and equip 15 agricultural weather and meteorological stations
- to instal radio transmitters at meteorological centres to complete the weather reporting network.
- to establish four synoptic (air) and four synoptic (marine) stations
- to establish automatic weather stations.

Fund allocations for the above operations during the Fifth Plan will amount to 2.2 billion rials. Provisions have been made under the chapter relating to education for the training of meteorologists and other technical staff.

3.8 Topography

In view of the importance of availability of accurate and large-scale general maps for the proper handling of technical and engineering affairs of development projects, action will be taken during the Fifth Plan to complete general maps to the scale of 1:50,000 and to prepare maps on larger scale according to a programme which will meet the military and civil requirements. Also, necessary measures will be taken during the Fifth Plan to prepare cadastral and farm cadastral maps.

The funds allocated for the above operations during the Fifth Plan amount to 3.3 billion rials. Provisions are made for the training of technical personnel under the chapter related to education.

4. Development Investment and Allocations

Total allocation for communication in the Fourth Plan was 99 billion rials (consisting of 84.7 billion rials out of development budget and 15.2 billion rials out of the normal budget). Allocations under the Fifth Plan reach 200.2 billion rials. Table 10 shows details of the above figure, while Table 11 shows fixed investment by the public and private sectors in communication.

I.L.O. TEHERAN B.I.T.

TABLE 10
FIFTH PLAN COMMUNICATION ALLOCATIONS
(Figures in billion rials)

Title of Plan	Current Allocations to Maintain Present Level	Development Allocation			Total Allocation
		Fixed	Non-Fixed	Total	
1. Major Roads	1.0	54.0	–	54.0	55.0
2. Secondary Roads	0.3	32.0	–	32.0	32.0
3. Road Maintenance	11.1	10.0	–	10.0	21.1
4. Railways	0.9	29.0	–	29.0	29.9
5. Ports and Shipping	–	25.0	–	25.0	25.0
6. Airports and Aviation	4.8	24.5	–	24.5	29.3
7. Meteorology	0.9	2.2	–	2.2	3.1
8. Topography	1.2	3.3	–	3.3	4.5
Total	20.2	180.0	–	180.0	200.2

TABLE 11
FIXED INVESTMENT IN COMMUNICATION DURING THE FIFTH PLAN
(Figures in billions of rials)

Title of Plan	Fixed Investment						Grand Total (7)
	Public Sector			Private Sector			
	(1)	(2)	(3)	(4)	(5)	(6)	
1. Major Roads	54.0	–	54.0	–	–	–	54.0
2. Secondary Roads	32.0	–	32.0	–	–	–	32.0
3. Road Maintenance	10.0	–	10.0	–	–	–	10.0
4. Railways	29.0	1.8	30.8	–	–	–	30.8
5. Ports & Shipping	24.7	1.0	25.7	2.5	0.3	2.8	28.5
6. Airports & Aviation	24.3	5.0	29.3	1.0	0.2	1.2	30.5
7. Meteorology	2.2	–	2.2	–	–	–	2.2
8. Topography	3.3	–	3.3	–	–	–	3.3
Total	179.5	7.8	187.3	3.5	0.5	4.0	191.3

(1) Payable out of development funds
(2) Payable by the agencies concerned out of their own income
(3) Total of (1) and (2)
(4) Private savings
(5) Payable out of development allocations
(6) Total of (4) and (5)
(7) Total of (3) and (4)

CHAPTER XV

TELECOMMUNICATIONS

1. Basic Objectives

A. Telephones, Telegraphs and Circuits

- to increase the number of automatic telephones so that by the end of the Fifth Plan there will be 33 telephones for every 1000 head of population;
- to link up the telecommunication satellites to international switching system and the domestic automatic network so that direct automatic dialling may become possible between subscribers in Iran and other countries of the world;
- to expand the automatic dial telephone network among cities and towns; and to establish an automatic domestic and international telegraph system;
- to complete the international connections network so that Iran can become one of the most reliable telecommunications links in the region; and convincing other countries to use Iran as a link for telecommunication with destinations beyond;
- to speed up telecommunications and raise the traffic volume through better management and greater efficiency; so that the Iranian Telecommunications Company could meet its current and investment expenses through its own revenues and loans;
- to offer high reliability telecommunication services, to fix reasonable rates in order to increase traffic volume and greater turnover.

B. Radio and Television

The Fifth Plan will see the continued expansion of radio and television networks. The entire country will be covered by medium-wave networks. The short-wave network, for which a solid foundation has been laid, will be commissioned to better carry the voice of Iran to foreign listeners.

C. Posts

The postal service will enter a new phase of quality during the Fifth Plan through mechanisation, increase of postal centres; development of collection and distribution network, and expansion of manpower and equipment. The mail services will penetrate the villages and will play its essential part.

2. Overall Policies

A. Telephones, Telegraphs and Circuits

- to adopt high standards of operation and to raise efficiency and the productivity of telecommunication units;
- to place more emphasis on training Programmes, strengthen the technical staff and delegate greater responsibility to them; and to replace foreign experts with Iranians;
- to require all Iranian Government ag agencies and organisations to pay for the use of telecommunication circuits, so that the Iranian Telecommunications Company may operate on a commercially viable basis;
- The need is increasingly felt for the development of the electronic industry because of the country's rising independence on it. The Iranian Telecommunications Company and other telecommunication establishments will play a part in this by creating demand for domestic production and through effective collaboration with university research centres.

B. Radio and Television

- the radio and television networks will be developed quantitatively and qualitatively;
- priority will be given to improvement in the quality and content of radio and television programmes;
- programmes will be co-ordinated in order to attain the educational, cultural, social and political objectives.

More facilities and installations will be provided to increase the hours of broadcasting and telecasting throughout the country. By the end of the Fourth Plan the television network covered 50 per cent of the country's population. Studies show that in fact 20 per cent of the covered

I.L.O. TEHERAN B.I.T.

population is capable of benefiting from television programmes. One reason for this (low) utilisation is the high price of television receiving sets. It is therefore essential that the cost price and sale price of television sets should be reduced for the consumer by new legislation and price controls; standardisation of receivers as much as possible, and through sale facilities for the low-income groups.

C. Posts

- Free postal services will be eliminated,
- the postal structure and organisation will be reviewed in order to introduce the necessary dynamism in its administration, finance, and decision-making capacity so that major postal improvement projects can be carried out.

3. Specific Targets

A. Telephones, Telegraphs and Circuits

- The capacity of the telephone installations will rise from 430,000 at present to 1,130,000 automatic numbers;
- the number of cities and towns with automatic dial telephone systems from 44 to 95;
- long-distance automatic dial telephone service will be established among 69 cities and towns of the country;
- automatic telegraph network will be established for domestic and international connections;
- the microwave telecommunication network channels will be increased by 50 per cent of their original capacity;
- a second aerial will be installed and commissioned for the Indian Ocean telecommunication satellite (in 1973-74);
- international switching system will be established;
- a telecommunication network will be established to provide communication with any centre with a population of 5,000 or more;
- establishment of a tropo-scatter circuit between Iran and Bahrain and strengthening of the existing circuits between Iran and Afghanistan.

B. Radio and Television

- Improvement of the programmes and content of material; and research for better programe production methods;
- better objectivity for programmes, and increase in the studio programming facilities;
- training of personnel and conduct of research;
- expansion of the national (1st programme) television network coverage from the present 50 per cent to 60 per cent of the population;
- expansion of the local (2nd Programme) television network so that it may cover 40 per cent of the population.
- expansion of the national (1st Programme) radio network coverage to 100 per cent of the population;
- expansion of the local (2nd Programme) radio network coverage to 50 per cent of the population;
- expansion of the overseas programme.

C. Posts

- Establishment of eight mechanised centres at Meshed, Zahidan, Kerman, Shiraz, Isfahan, Ahwaz, Hamadan and Tabriz;
- expansion of the transport network to speed up mail carriage and distribution;
- expansion of postal schools at the nine postal district offices, to a capacity of 10,000.
- introduction of postal money order service and post office savings accounts;
- expansion of urban post offices from 269 to 569 offices and of village post offices from 862 to 1,182. Postal agencies will increase from 621 to 717 and post office boxes from 9,350 to 23,350. Letter delivery centres will be increased by 245. There will also be 30 mobile post offices. Postal trainees will increase from 2,500 to 12,500 and the staff from 6,200 to 15,400 persons.
- In towns of 25,000 or more inhabi-

tants, local and city mail delivery time will be 24 hours; and for towns of less than 25,000 it will be 48 hours. National mail delivery from any small point to any other small destination will not take longer than 96 hours.

- international relations will expand with more frequent despatches.

4. Investment and Allocations

Total allocations for telecommunication during the Fifth Plan will rise to 59.4 billion rials as compared to 54.44 billion rials during the Fourth Plan. Tables 1 and 2 respectively show development allocations and fixed investment in telecommunication during the Fifth Plan.

TABLE 1
ALLOCATIONS FOR TELECOMMUNICATIONS
(Figures in billions of rials)

	Current Allocations (1)	Development Allocations			Total 5 (1 + 4)
		Fixed (2)	Non-Fixed (3)	Total 4 (2 + 3)	
1. Urban Telephones	–	7,600	–	7,500	7,600
2. Main Telecommunication Lines	–	8,560	–	8,560	8,560
3. Secondary Telecommunication Lines	–	0.230	–	0.230	0.230
4. Telegraphs	–	0.800	–	0.800	0.800
5. International Telecommunications	–	0.490	–	0.490	0.490
6. Research	–	0.180	0.450	0.630	0.630
7. Radio and Television	12,700	8,500	1,500	10,000	22,700
8. Posts	5,500	6,500	0.390	12,890	18 390
Total	18,200	32,860	8,340	41,200	59,400

Note: Training Funds are included in the Chapter on Education.

TABLE 2
GOVERNMENT FIXED INVESTMENT IN TELECOMMUNICATIONS
(Figures in billions of rials)

Title of Plan	Development Funds	Private Income of Agencies	Total
1. Urban Telephones	7,600	18,230	25,830
2. Main Telecommunication Lines	8,550	0.300	8,860
3. Secondary Telecommunication Lines	0.230	1.070	1,300
4. Telegraphs	0.800	0.640	1,440
5. International Telecommunications	0.490	0.500	0.990
6. Research	0.180	–	0.180
7. Radio and Television	8,500	–	8,500
8. Posts	6,500	–	6,500
Total	32,860	20,740	53,800

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CHAPTER XVI
RURAL DEVELOPMENT

1. Basic Objectives

The rural development fifth plan is based on the following two basic objectives in order to attain the widest possible rural services and welfare:

First	a balanced distribution of investment, welfare services and infrastructure services to cover as much of the rural population as possible, coupled with reduction in the number of villages and, finally, laying the foundation for future towns.
Second	supplementing the first objective by the full utilisation of installed establishments through extensive educational programmes in rural areas to prepare them to accept new ideas in modern living, to ensure the continuous development of villages and to strengthen the bases of national culture and independence.

2. General Policies and Courses

The following policies will be pursued to attain the objectives of the fifth plan for rural development:

2.1 LOCAL AUTHORITIES PARTICIPATION

Sufficient opportunities will be created for the greater participation of the village, town, provincial and regional education councils and other local organisations in development activities related to their region. The possibility has already been created in conformity with the principle of de-centralisation and through integrated provincial projects; and will continue in future. At the same time, executive agencies will also assist the acceleration of this programme by strengthening the provincial staff.

2.2 DEVELOPMENT ZONES

By sending their representatives to their zone centre, cooperatives and village councils will form the council of cooperatives and village councils of their development zone which will consider the general and common problems of the zone villages and collaborate and supervise their affairs.

2.3 HARMONIOUS DISTRIBUTION OF SERVICE PERSONNEL

The service personnel of the various executive agencies at provincial level will be distributed in full harmony and on the basis of the size and requirements of the zones.

2.4 LAND GRANT

Land will be greely granted for welfare installations in the zone centre, with provisions for their future expansion.

2.5 LOCAL COLLABORATION

Local workers and squatters will be employed to create jobs and to help increase the income of rural inhabitants. In this manner some 100,000 new jobs are to be created in the rural construction sector under the Fifth Plan; and this will provide jobs for 10% of the squatter families' active population.

3. Specific Targets and Plans

a) To attain the first basic objective action will be taken within the general policies and courses' framework by creating rural development zones. Each zone will consist of a number of villages within a specified area. The zone centre of such villages will be determined on the basis of the following factors:

- rate of population increase between 1345 and 1350
- high level of agricultural and cattle production
- existence of the necessary potentials for the establishment of expansion of administrative and local organisations
- existence of transport services, banks, or a market; and existence of favourable conditions for their establishment
- geographically central location in order to make its services available to all the villages of the zone.

Within each zone, a number of villages each with a population of over 250 persons, will be designated as satellite villages in view of their access to the zone centre.

In the rural development zone centres, drinking water, health clinic, primary school, secondary school, rural technical school, public bath, small sports grounds, electricity, cooperative store, staff quarters, living accommodation for rural inhabitants, administrative offices and similar necessary projects will all be carried out simultaneously and in an integrated form.

In the zone satellite villages drinking water, feeder road and primary school projects will be carried out; and in case of need, such villages can meet their other needs from the zone centre.

Within each zone, the small and scattered villages of less than 250 people each can benefit from educational services and in case of need from other projects such as environmental health improvement projects, and at the same time can meet their other needs from the adjacent large villages.

On the basis of studies completed, it is estimated that during the Fifth Plan around 1,200 zones comprising 14,000 villages with a total population of 10 million.

The size of these zones will vary in various parts of the country according to the density of villages which vary in different areas, and the type of the projects and their quality will also vary in scale for the zones of each region.

The reasons for the proposal of development zones are:

- About 57 per cent of the country's population lives in some 66,000 rural units. Of this, 74 per cent lives in some 18,000 villages each with a population of 250; with the remaining 26 per cent living in 48,000 villages each with fewer than 250 persons. By concentrating the activities in these zones a greater population will enjoy welfare services.
- There will be moderation in the population movement from smaller to larger villages and towns; and this will modify the excessive migration from rural to urban areas. It is predicted that in future favourable ground will appear for the natural merger of smaller centres with the larger ones.
- Clear methods and specific criteria will exist for the provision of rural services, and consequently no capital will be wasted by investing in villages which will be in future absorbed by larger ones. At the same time, by virtue of the use made of the required expertise in the developable areas and larger villages, maximum use will be made of the time and energy of specialists.
- It would be easier to provide other services at village level to out-lying villages through such development zone centres. Among the more important of these services will be social activities, health insurance programmes, nutrition, various economic activities, and cottage industry.

The formation of the zones will also make it possible to expand village development establishments on a wide scale. For instance, the number of water supply projects under the Fifth Plan will be six times more than in the Fourth Plan; electricity projects will increase 12 times, roads eight times and health clinics twice.

b) The following plan will make it possible to attain the second basic objective:

- acquainting the rural inhabitants with modern techniques and skills through technical and vocational training. This training programme will help train the skilled agricultural workers, electricians, machinists, and other technicians required in villages. Special attention will be paid to vocational training for squatter youths.

  Parallel with this training programme, government officials at various local levels including staffs of co-operatives, agricultural and cattle breeding extension workers and instructors, will undergo the necessary specialisation training.
- training of local councils and rural activists in order to convince them of the principles of cooperativism and cooperation in affairs and to promote collective action amongst them and thus to contribute to the progress and development of such activities. At the same time, by understanding the spirit of political democracy, they will be more and more acquainted with the implications of the White Revolution.

  During the Fifth Plan, about half a million rural inhabitants will undergo such training courses in various levels of village organisations. The courses will be short and mostly be held in the development zone centres; they will be held in simple language and will use maximum amount of media of mass communication.
- amalgamated and explanatory courses will be given to explain the times and objectives of rural development programmes, economic and social problems, special potentials of the region, in order to create the harmony necessary in rural services. About 11,000 officials consisting of village councillors, officials of cooperatives and farm corporations, town and provincial councillors, civil servants in development zones, governors a and district officers, members of the Revolutionary Corps, heads of related departments, and supervisors of the Corps, will attend such seminars and short courses. Such training will be given in the Village Development Studies Institute which will be established for the first time under the Fifth Plan on an experimental basis in the provinces of Khorasan, Gilan, Kermanshah, Isfahan and the coastal province. The Institute will study development activities and will maintain constant liaison with rural inhabitants and service personnel in villages; will adapt the training programmes of the Institute to the rural needs and, for the latter purpose, will seek help from all the

I. L. TEHERAN D. I. T.

region's resources such as planning bureaux, government offices, and educational and research institutions. At the same time, the training course will be followed up with the cooperation of the local radio and television stations.

The general literacy programme, too, which will include various levels of teaching from kindergarten to primary and secondary schools to adults, shall also contribute to furthering the aims of rural development especially as during the Fifth Plan the subject matter of the lessons will conform with the cultural, social, professional and vocational needs of the rural inhabitants. In brief, rural education in the Fifth Plan will increase 2.5 times in technical and vocational teachings compared to the Fourth Plan; and 18 times in explanatory teaching, and three times in the specialised and technical teachings for civil servants.

4. Investment and Allocations

Total allocations for rural development will increase from 11.7 billion rials (10.6 billion out of development funds and 1.1 billion from normal budget) in the Fourth Plan to 37.8 billion rials in the Fifth Plan. Table 1 will show the allocations and Table 2 the fixed investment in rural development during the Fifth Plan.

TABLE 1
RURAL DEVELOPMENT ALLOCATIONS
(Figures in billions of rials)

Title of Plan	Current Operation Allocation	Development Allocations Fixed	Total Allocation
1. Drinking Water Supply	–	18.0	18.0
2. Rural Roads	–	12.0*	12.0
3. Sanitary Installations: (baths, mortuaries, slaughter houses)	–	1.0	1.0
4. General Rural Training & Research Centres	–	1.0	1.0
5. Protective Installations	–	4.0	4.0
6. Public Services	1.8	–	1.8
Total	1.8	36.0	37.8

* 4% of this will be for basic repairs expenses.

TABLE 2
FIXED INVESTMENT IN RURAL DEVELOPMENT
(Figures in billions of rials)

Title of Plan	Fixed Investment						Total (7)
	Public Sector			Private Sector			
	(1)	(2)	(3)	(4)	(5)	(6)	
1. Drinking Water Supply	18.0	–	18.0	1.3	–	1.3	19.3
2. Rural Roads	12.0	–	12.0	0.8	–	1.3	12.8
3. Sanitary Installations	1.0	–	1.0	0.1	–	0.1	1.1
4. Protective Installations	4.0	–	4.0	0.3	–	0.3	4.3
5. Rural Training and Research Centres	1.0	–	1.0	–	–	–	1.0
Total	36.0	–	36.0	2.5	–	2.5	38.5

(1) Funds from development allocations
(2) Funds from the private income of commercial establishments
(3) Total of (1) + (2) (public sector)
(4) Funds from private savings
(5) Funds from development allocations given to private sector
(6) Total of (4) + (5) (private sector)
(7) Grand Total

URBAN DEVELOPMENT

INTRODUCTION

The rapid increase in per capita income, greater job opportunities in industry, better educational and health and cultural facilities in urban centres will continue to attract more and more people to cities and towns. The result will be that urban centres will register an annual growth rate of 5.1 per cent in their population, while the rural population will rise by a mere 1.5 per cent per annum.

In 1345 there were 249 cities and towns in the country with a total population of 9.7 million. This rose to 298 cities and towns in 1351 with a total of 13.2 million. The major features of the urban scene is that there are a few cities with too much population and many towns with too low a population.

In 1351, there were seven cities (Tehran, Isfahan, Meshed, Tabriz, Shiraz, Abadan and Ahwaz) each with a population of over 250,000. They accounted for 48.5 per cent of the entire urban population of the country. This is indicative of a desire to live in large cities which has already created over-congestion through heavy emigration to major population centres; and which has put a heavy strain on the urban services while causing such problems as air pollution, traffic congestion, shortage of water and shortage of educational and cultural facilities.

1. Basis Objectives

In view of the Fifth Plan projections that urban population will increase by 4 million, the following are the basic objectives for urban development:

a) to improve town planning systems;

b) to establish better balance among cities and towns through a fair distribution of urban development installations;

c) to improve administration of municipalities and local authorities.

2. Overall Policies

2.1 COORDINATION

The Ministry of Housing and Development will be re-organised and overall town planning policies will be applied in collaboration with municipalities and town councils under the general supervision of the Ministry's Town Planning and Architecture Department.

2.2 CREDIT POLICY

Grants in aid will be given to cities and towns for water supply, sewage and similar installations based on standards adopted suitable for the grade of city or town. Similar financial grants will be given in the light of local municipal revenues and future expansion of the city or town.

Some parts of expenditures of education offices, health councils, physical culture and scouting, illiteracy campaign, and public libraries which were paid by the municipalities but were accounted as the direct income of the ministries or organisations concerned, will henceforth be paid out of the public (Government) revenues.

2.3 TRAFFIC

City organisations responsible for transport and traffic will be studied, and the responsibilities of each will be determined and clarified.

2.4 MUNICIPALITIES

All municipal authorities which lack independent water and sewage boards will be required to open special accounts in order to separate the income and expenditure of these authorities from other municipal revenues and expenses. Since many municipalities have been unable to repay their debts in connection with past development projects, their debts will be written off after consideration of their cases.

3. Specified Targets

A. To draw up urbanisation policy and determine a suitable distribution of urban population through optimum migration policy, population mobility, and urban controls based on the growth potentials of various cities and towns.

- to prepare town development plans;
- to prepare detailed projects;
- to prepare town cadastral maps;
- to assist in setting up and strengthening municipal design and planning bureaux;
- to consider other issues, such as urban requirements and placing of urban installations.

B. **Water Supply**

Water installations, incluidng pipe networks, reservoirs, purification plants and public outlets will be provided for cities and towns so that by the end of the Fifth Plan

I. L. O.
TEHERAN
I. T.

8.1 million urban people will have new water supply in addition to the 8.9 million persons at present.

C. Sewage

Efforts will be made to provide sewage facilities for urban centres. Priority will be given to industrial centres and to cities and towns which face problems because of their high underground water level. The sewage system should be completed in ten years in cities and towns of this category, and in 30 years in other places.

D. Protective Projects

Protective projects will be carried out, such as flood diversion barrages, canals and training walls to protect cities and towns against natural acts.

E. Traffic

Increased urban population, expansion of urban centres, and greater per capita income have increased demand for transportation, and this in turn has created traffic problems. To overcome the problem and to improve the transport system, the following measures are proposed:

- development of public transport in cities and towns;
- establishing special stops near crowded centres;
- building out-of-town terminals for heavy vehicles;
- construction of by-passes and detours.

F. Renewal

Work will be undertaken to improve cities and towns, to replace old and unsanitary structures, and to create parks and green areas, but the traditional urban pattern and national architecture will be protected.

G. Municipal Government

Municipal authorities will be assisted to improve their staff and operation and to increase their efficiency.

4. Investment

Total investment in urban development during the Fourth Plan is 9.1 billion rials. This will increase to 33.8 billion rials during the Fifth Plan.

TABLE 1
URBAN DEVELOPMENT ALLOCATIONS
(Figures in billions of rials)

Title of Plan	Current Allocation (1)	Development Allocations			Total 5 (1 + 4)
		Fixed (2)	Non-Fixed (3)	Total 4 (2 + 3)	
1. Town Planning	–	1.0	–	1.0	1.0
2. Water Supply	–	7.50	–	7.50	7.50
3. Sewage System	–	7.30	–	7.30	7.30
4. Traffic Improvement	–	10.75	–	10.75	10.75
5. Protective Installations	–	2.50	–	2.50	2.50
6. Other Urban Installations	–	3.45	–	3.45	3.45
7. Public Services and Administration	0.80	–	0.50	0.50	1.30
Total	0.80	32.50	0.50	33.0	33.80

TABLE 2
URBAN DEVELOPMENT FIXED DEVELOPMENT
(Figures in billions of rials)

Title of Plan	Development Allocation	Municipal and other Authorities	Total
1. Town Planning	1.0	1.0	2.0
2. Water Supply	7.50	6.50	14.0
3. Sewage Systems	7.30	2.0	9.30
4. Traffic Improvement	10.75	5.75	16.50
5. Protective Installations	2.50	1.55	4.05
6. Other Urban Installations	3.45	11.70	15.15
Total	32.50	27.50	61.0

1. Introduction

Tehran is the largest and most important city of the country, possessing all the factors that absorb migrants — such as job opportunity, schools, universities, medical facilities, banking and commercial establishments, clean water, recreational facilities, etc. Some measures have been taken to decentralise activities, but unless serious measures are taken, the city's population is expected to rise to 5.1 million by the end of the Fifth Plan, and to 8.9 million by 1987.

Tehran, as a city, has a number of serious shortcomings such as shortage of street surface compared to the density of its traffic; lack of rapid transit system such as underground railway; high air pollution; shortage of public parks, green spaces and open air spaces; over-crowding in residential areas aggravated by shortage of low-priced housing; and, in the near future, shortage of water.

2. Overall Policies

To achieve the Plan objectives for Tehran, the following measures are to be considered:

2.1 ADMINISTRATIVE DECENTRALISATION

During the Fifth Plan, the Government will spend 36 per cent of the GNP as consumption expenditure and investment. The manner this is distributed between Tehran, the provinces and the rest of the country will greatly determine the relative position of Tehran vis-a-vis other cities and towns. Calculations show that every civil servant in Tehran creates job opportunities for 1.4 persons through his own purchasing power; and assuming every job-holder's family to number an average of five persons, a single government job in Tehran means 12 persons residing in the city; and inversely, every job that is transferred to the provinces will mean transfer of twelve persons from Tehran.

A study of the government administration indicates that at least 50 per cent of the civil servants in Tehran should be transferred to the provinces. Their transfer should be accompanied with transfer of decision-making authority as well as expansion of housing, schooling, medical services and recreational facilities, so that such facilities can develop parallel with the transfer of purchasing power. It is therefore essential that careful consideration be given to the government administration and proper plans be submitted to the cabinet. The Government should avoid establishing new executive units in Tehran and should make several years' service in the provinces a condition for promotion.

2.2 ECONOMIC DECENTRALISATION

Restrictions placed on the establishment of new factories within a radius of 120 Km of Tehran have been successful in diverting private capital for investment in the provinces; it is also necessary that future expansion of factories should be diverted to the provinces. The following measures are also recommended:

- **preparation of favourable conditions in the form of industrial estates with water, power** and roads; and availability of industrial land at low prices and under favourable terms;

- allocation of the bulk of bank credits to the provinces and offer of better credit facilities for fixed investment and revolving funds to provincial industrialists and businessmen;
- conclusion of agreements for the purchase of part of government requirements from the provinces;
- aid to labour housing projects;
- aid to set up vocational and apprentice training schools;
- subsidy for travel expenses of Tehran workers wishing to emigrate to provincial industrial centres;
- encouraging provincial and town councils to provide more facilities to attract business and industry;
- award of jobs and work related to the provinces directly to local sources, within their ability and competence.

2.3 WATER

Technically it would not be difficult to provide water for Tehran even if its population should exceed 5.5 million; or if the per capita annual consumption should rise from 65 cu. m. to 100 cu. m. because the additional water could be obtained from the rivers Lar, Karaj, Taleqan and others. But two factors limit such a population growth:

First: Utilisation of the more distant waters becomes expensive;

Second: diversion of all their waters will reduce and may completely end local agricultural and industrial activity and aggravate local living conditions.

Therefore, in drawing up the Tehran water supply policy, the long-term effects on the socio-economic conditions will be taken into consideration.

3. Specific Projects

3.1 HOUSING

In view of Tehran's continued growth — due to natural birth-rate as well as immigration — the public and private sectors are expected to build a total of 221,000 new dwelling units, of which the share of the public sector will be 21,000 units. In order to reduce congestion in over-crowded areas of the city, old sections will be subjected to renewal plans consisting of low-priced apartment blocks, more parking areas, children's playgrounds, more green spaces and more street areas. Priority will be given to the private sector for housing. No assistance will be given for houses proposed for open spaces which are more suited to such public projects as green space, parking, children's playgrounds, schools, hospitals, sports grounds, etc.

3.2 URBAN INSTALLATIONS

Efforts will be made to lay proper rules for the balanced distribution of urban installations in order to maximise their accessibility and to minimise communication problems. New commercial areas will be developed, as much as possible, around communication networks.

3.3 TRANSPORT

The formation of a well-equipped bus company and the introduction of a public rapid transit system is under consideration and preparations for them will be made during the Fifth Plan. A number of existing avenues and streets will be widened and new motorways will be built.

3.4 SEWAGE

Separate studies are underway for Tehran sewage and sewerage system.

3.5 POLLUTION

Detailed studies will be undertaken on the subject of pollution, including its extent and degree, the causes of pollution and remedial measures. Conversion of fuel for motor vehicles, kilns, public baths, factories and workshops will help reduce air pollution. It would be necessary to establish a central and powerful authority to supervise all such measures not only in Tehran but also throughout the rest of the country.

CHAPTER XVIII
GOVERNMENT BUILDINGS

Introduction

The expansion and diversification of government responsibilities and tasks throughout the country have increased the Government's needs to have suitable administrative premises and other buildings for its various departments and agencies. During the past decade, especially during the Fourth Plan, the expansion has also been parallel with a rapid increase in the number of government personnel. The total number of civil servants rose from around 300,000 in 1347 (1968) to around 440,000 in 1351.

At present, most government offices — such as justice departments, land and deeds registration offices, educational establishments and district officers' offices — are too small to properly handle the volume of work; mainly situated in buildings originally intended for residential purposes and owned by the private sector.

1. Basic Objectives

The main objective therefore is to provide suitable premises for the Government, the law enforcement agencies and the armed forces.

1.1 CENTRALISATION

In order to economise in the cost of land and building and to expedite administrative work and ease traffic problems, efforts will be made to construct new office buildings in single complexes at district level.

1.2 URBAN PRIORITY

When constructing government buildings, priority will be given to districts and smaller towns and regions where the possibility of private investment is smaller.

1.3 STANDARDS

Standards will be set for government structures according to their functions and the local and climatic conditions. All government agencies would be required to observe these standards.

4 TEHRAN

New Government buildings will be avoided as much as possible in Tehran in order to prevent over-congestion of the civil service in the city and in order to attain a fair distribution throughout the country. Agencies which can function in other parts of the country by virtue of the type of their operation will be prevented from building in Tehran.

1.5 PRIVATE SECTOR

The private sector will be encouraged to construct buildings suitable to Government requirements, by guaranteeing private builders long-term leases.

2. Specific Targets

The specific targets of government construction are shown in the following table:

TEHERAN

TABLE 1
GOVERNMENT BUILDING PROGRAMME
(Figures in millions of rials)

Title	Total	Tehran	Others
A. Civil Administration Buildings			
1. Completion of Buildings started under the Fourth Plan	1,979	1,245	734
2. Construction of Office Complexes in Districts or Provinces	5,097	–	5,097
3. Special Administration Buildings in Tehran and the Provinces	6,024	3,080	2,944
B. Law-enforcement and Security Buildings			
1. Police Penitentiaries	500	160	440
2. Police Administration Buildings	1,007	830	177
3. Gendarmerie Administration Offices and Posts	2,123	75	2,048
4. SAVAK Buildings in Tehran and the Provinces	970	300	670
5. Civil Defence Buildings	200	50	150
Total	**4,900**	**1,415**	**3,485**
C. Other Government Buildings	**72,800**	**9,300**	**63,500**
GRAND TOTAL	**90,800**	**15,040**	**75,760**

3. Investment

Investment in Government buildings will rise from 33.8 billion rials under the Fourth Plan to 90.8 billion rials under the Fifth Plan, as shown in the following table:

TABLE 2
GOVERNMENT BUILDINGS FIXED INVESTMENT
(Figures in billions of rials)

Type of Building	Current Allocation	Development Allocation	Total
1. Civil Administration Buildings	13.1	–	13.1
2. Administration Buildings of Law Enforcement Agencies	4.9	–	4.9
3. Other Government Buildings	72.8	–	72.8
Total	**90.8**	–	**90.8**

TABLE 2
URBAN DEVELOPMENT FIXED DEVELOPMENT
(Figures in billions of rials)

Title of Plan	Development Allocation	Municipal and other Authorities	Total
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2. Water Supply	7.50	6.50	14.0
3. Sewage Systems	7.30	2.0	9.30
4. Traffic Improvement	10.75	5.75	16.50
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TEHRAN

and roads; and availability of industrial land at low prices and under favourable terms;

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TEHERAN

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2. Police Administration Buildings	1,007	830	177
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4. SAVAK Buildings in Tehran and the Provinces	970	300	670
5. Civil Defence Buildings	200	50	150
Total	4,900	1,415	3,485
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GRAND TOTAL	90,800	15,040	75,760

3. Investment

Investment in Government buildings will rise from 33.8 billion rials under the Fourth Plan to 90.8 billion rials under the Fifth Plan, as shown in the following table:

TABLE 2
GOVERNMENT BUILDINGS FIXED INVESTMENT
(Figures in billions of rials)

Type of Building	Current Allocation	Development Allocation	Total
1. Civil Administration Buildings	13.1	–	13.1
2. Administration Buildings of Law Enforcement Agencies	4.9	–	4.9
3. Other Government Buildings	72.8	–	72.8
Total	90.8	–	90.8

TABLE 3
GOVERNMENT BUILDING ALLOCATIONS
(Figures in billions of rials)

Title of Plan	Current Allocation (1)	Development Allocations			Total 5 (1 + 4)
		Fixed (2)	Non-Fixed (3)	Total 4 (2 + 3)	
1. Civil Administration Buildings	–	13.1	–	13.1	13.1
2. Administration Buildings for Law Enforcement Agencies	–	4.9	–	4.9	4.9
3. Other Government Buildings	–	72.8	–	72.8	72.8
4. General and Administration Services	0.4	–	–	–	0.4
Total	30.4	90.8	–	90.8	91.2

I.L.O. TEHERAN B.I.T.

CHAPTER XIX
HOUSING

Introduction

The rapid increase in population and national income, and the rise in living and cultural standards during the past decade have acutely increased urban needs, especially for housing. At the beginning of the Fifth Plan, on the basis of one housing unit per family, there is already a shortage of about two million dwelling units throughout the country – of which 1.1 million units are in urban centres.

1. Basic Objective

The basic objective of the Fifth Plan is to relieve the housing shortage, to reduce over-crowding in housing, and to provide more housing for low-income groups. The Plan envisages a total of 740,000 new dwelling units, of which 575,000 units will be built by the private sector and 165,000 units by the Government.

2. Overall Policies

Under this Plan, every new family that is formed during the Fifth Plan period will have a dwelling unit in the urban centres. The present ratio of 117 dwelling units for every 1,000 head of urban population will rise to 131 units per thousand persons at the end of the Fifth Plan. The result will be a drop in the occupation density from 8.1 persons per dwelling unit to 7.7 persons; and from 2.40 persons per room to 2.16 persons per room.

In rural areas, local cooperatives and farm corporations will build housing units for their members and shareholders by giving them credit facilities. Government agencies will build living quarters for their workers and staff in the rural areas. It is estimated that a total of 224,000 dwelling units will be built in rural areas by the private sector and 24,000 units by the Government.

Housing saving accounts will be set up in most banks in order to turn the bank networks into a national network fully equipped and prepared to grant housing loans. Special regulations will be passed to require commercial banks to allocate a greater portion of their resources to housing loans. Building societies will be expanded and strengthened to attract more savings for housing.

2.1 HOUSING COOPERATIVES

Housing cooperatives and employers who build low-cost housing projects for low-income groups or their workers, will be given financial subsity on the interest they pay on the loans, low-interest loans and tax exemptions. The private sector, too, will be given tax exemption incentives for building apartment blocks.

2.2 INDUSTRY

Housing plans for new factories will be so approved as to ensure that the living quarters and other urban amenities are ready for the workers and staff by the time the factories are ready for commissioning.

2.3 HOUSING ORGANISATION

In view of the important part played by the Housing Organisation, the duties and functions of the organisation will be reviewed and to end the duplication and overlapping, setting up special and independent organisations for housing, consultative services, urban lands, and maintenance of housing estates of government agencies.

2.4 STANDARDS

Standards will be set up in order to guide housing projects in the public sector, preventing the construction of luxury houses. All government agencies will be required to observe these standards.

2.5 MANPOWER

Special training programmes will be carried out in conjunction with the Ministry of Labour, the Ministry of Education, and the Ministry of Housing and Development, in the provinces, to eliminate the shortage of skilled labour in the building industry.

2.6 BUILDING MATERIALS

Credit facilities and tax incentives will be given to the private sector in order to increase building materials production in keeping with the rise in building activities and housing programmes.

2.7 BUILDING RESEARCH

To reduce building costs, to increase building speed and to compensate for the shortage of skilled labour, research will be undertaken for better building materials and more suitable building methods. Preparation will be made for the mechanisation of the building industry.

2.8 LAND

Since the price of land constitutes a major portion of the finished cost of housing and urban installations, and since the continuous rise in land prices will hinder the building programme, it is essential to adopt a proper policy in respect of land use especially in larger cities.

Such a policy should take the following points into consideration:

- legislation of laws to enable the Government to acquire land for future public installations such as public parks, sports grounds, educational centres, industrial areas, etc. Such land should be reserved for future use according to town planning expansion;
- legislation of laws to collect improvement tax on lands whose prices rise due to urban renewal projects;
- legislation of laws to offer facilities to the private sector necessary for the renewal of old and unsanitary quarters of cities and towns;
- sale or lease of government, municipal and endowed lands to companies or individuals wishing to carry out housing programmes.

3. Specific Targets

Specific housing targets are as follows:

- to build 53,000 dwelling units for teachers, civil servants; and officers, NCOs, and other ranks of the Armed Forces, the Police and the Gendarmerie, especially in distant areas and where the likelihood of private investment is remote;
- to build about 8,000 dwelling units for such government employees as extension workers, cooperative officials, veterinary staff, etc. in agricultural development centres;
- to build 25,000 dwelling units for workers in industrial estates, both in existence and planned for future;
- to build 45,000 dwelling units in housing estates or apartment blocks at low cost, for sale on long installments to low-income groups;
- to build 20,000 low-cost dwelling units for urban fringe inhabitants;
- to build 16,000 low-cost rural dwelling units by giving credit facilities;
- to create satellite towns or workers' housing estates in the vicinity of large cities in order to provide suitable living environment for workers and staff working in industrial estates of a single region;
- to increase the Mortgage Bank's capital in order to expand its activities and to encourage the private sector by providing it with more capital and credit facilities for housing projects by housing and building societies, construction companies, and housing cooperatives.

TABLE 1
NEW HOUSING UNITS IN THE FIFTH PLAN

	Number of Housing Units		Total
	Urban	Rural	
Public Sector	575,000	200,000	775,000
Private Sector	165,000	24,000	189,000
Total	740,000	224,000	964,000

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TEHERAN
B.I.T.

TABLE 2
SPECIFIC PUBLIC SECTOR HOUSING PROGRAMME

Title of Plan	Number of Dwelling Units		Development Allocations (billion rials)
	Urban	Rural	
1. From development funds			
a) Workers Quarters	25,000	–	9.0
b) Staff Quarters	53,000	8,260	49.3
c) Low-cost Houses	65,000	16,000	20.7
d) Credit Allocations	–	–	–
Total	143,000	24,260	82.8
2. Other Sources (Government Agencies)	22,000	–	15.0
Grand Total	165,000	24,260	97.8

4. Housing Investment

In view of the special emphasis being placed on housing during the Fifth Plan, total capital investment in housing is expected to rise from 190 billion rials during the Fourth Plan to 402 billion rials during the Fifth Plan. This constitutes about 5 per cent of the GNP and 20 per cent of the domestic gross fixed capital formation a year.

The private sector's share of the housing investment is about 308 billion rials; with the Government's share being 94 billion rials of which 79 billion rials will come from development funds and 15 billion rials from the private income of the various government agencies.

Development fund allocations for housing will rise from 9.4 billion rials in the Fourth Plan to 83.2 billion rials in the Fifth Plan.

TABLE 3
INVESTMENT IN HOUSING
(Figures in billions of rials)

	Urban		Rural		Total
	New	Repair or Completion	New	Repair or Completion	
Public Sector	87.0	2	5	–	94.0
Private Sector	233.8	34	15	26	308.8
Total	320.8	36	20	26	402.8

TABLE 4
HOUSING ALLOCATIONS
(Figures in billions of rials)

	Current Allocation (1)	Development Allocations			Total 5 (1 + 4)
		Fixed (2)	Non-Fixed (3)	Total 4 (2 + 3)	
1. Workers Quarters	–	9.0	–	9.0	9.0
2. Staff Quarters	–	49.3	–	49.3	49.3
3. Low-Cost Houses	–	20.7	–	20.7	20.7
4. Credit Allocations	–	3.8	–	3.8	3.8
5. General and Administrative Services	0.4	–	–	–	0.4
Total	0.4	82.8	–	82.8	83.2

TABLE 5
FIXED INVESTMENT IN HOUSING
(Figures in billions of rials)

	Public Sector			Private Sector			Total
	(1)	(2)	3 (1 + 2)	(4)	(5)	6 (4 + 5)	7 (3 + 6)
1. Workers Quarters	9.0	2.0	11.0	–	–	–	11.0
2. Staff Quarters	49.3	3.0	52.3	–	–	–	52.3
3. Low-Cost Housing	20.7	10.0	30.7	3.5	–	3.5	335.7
4. Credit Allocations	–	–	–	–	3.8	3.8	3.8
Total	79.0	15.0	94.0	3.5	3.8	308.8	402.8

(1) Paid out of development funds
(2) Paid out of the private income of establishments concerned
(3) Total public sector investment (1) + (2)
(4) Paid out of private savings
(5) Paid out of development funds (loaned to private sector)
(6) Total private fixed investment (4) + (5)
(7) Grand Total

I.L.O. TEHERAN B.I.T.

CHAPTER XX
EDUCATION

EDUCATION

1. Basic Objectives

The educational plan has been drawn up on the assumption that the educational system of the country should be capable of meeting its requirements for trained manpower and capable of providing the necessary science and technology for the country's progress.

At the same time the educational system should be so reformed as to familiarise the public with the spirit of national objectives and to instill a spirit of discipline, social cooperation, and national pride among the youth; thus functioning as an effective factor contributing to the national mobilisation for progress and independence.

To attain these objectives, it was essential that the educational plan be prepared to cover the next ten years. The following are the objectives of the ten-year educational plan which embraces the Fifth Plan:

- full dissemination of primary education in order to eliminate illiteracy among the economically active population; the rate of of expansion of primary education will be such that by the end of the Fifth Plan all urban children of school age and 80 per cent of the rural children of school age will go to school;
- rapid expansion of vocational and technical education as well as higher education to provide all the required skills and scientific and technological qualification so that by the end of the Sixth Plan the educational capacity will be sufficient to train all the necessary skills and expertise, thus ending the need to employ foreign technical and scientific services. Thus as much emphasis has been placed in the Fifth Plan on the training of teachers and instructors as possible;
- greater emphasis will be placed on training teachers and instructors so that by the middle of the Sixth Plan the number of teachers and instructors trained in the country will be sufficient for its needs;
- new methods and ideas will be introduced in both administration, means and content of education.

2. Overall Policies

2.1 PRIORITIES

Priorities of the educational plan are for the training of teachers and instructors; technical and vocational training, and primary and adult education. No funds allocated for such purposes will be diverted to other purposes within the educational plan; nor funds will be diverted from rural education to suburban education.

2.2 ADMINISTRATION

Executive power will be granted to regional and local educational authorities in order to improve efficiency and expedite matters. Other measures taken in this regard will be:

- construction of houses for teachers attached to schools, especially in rural areas, in order to better attract teachers and ensure their longer service.

2.3 DEGREES

Prediction is made that the Ministry of Science and Higher Education, the Ministry of Education and the Employment and Admijnistrative Affairs Organisation will take the necessary measures to ensure that academic degrees alone will no longer be the sole basis of employment and promotion; and that personal qualifications, whether scientific, specialised or gained by experience, will also be considered in employment and promotion. In this manner, knowledge will be considered more important than a mere degree.

3. Specific Targets

The specific targets of the educational plan is shown in the following table:

TABLE 1
EDUCATIONAL TARGETS
(Figures in thousand persons)

Level or Type of Education	Number at End of 4th Plan	Number at End of 5th Plan	5th Plan Growth	Growth Percentage
Kindergarten	24	415	391	1,629
Primary	3,424	5,000	1,576	46
Introductory	578	1,544	966	167
Secondary*	619	953	334	54
Technical Training**	66	184	118	179
Higher Education	108	190	82	76
Vocational Training***	31	179	148	477
Adult Education****	8,250	15,600	7,350	89

* equivalent to students of the 9th to 12th grade in the old educational system. At the end of the Fourth Plan the number of 7th to 12th graders is 995,000.

** Including vocational training in all ministries, and also training of primary teachers.

*** applies only to skilled and semi-skilled workers.

**** 10-44 year age group.

3.1 KINDERGARTEN EDUCATION

In the pre-school level, the number of children will rise from 24,000 in 1351 to 415,000 in 1356 – a 17-fold increase. Most of this increase will occur in industrial estates and towns and in rural areas among low-income groups. All government kindergartens will receive food programme aid.

3.2 PRIMARY EDUCATION

In the primary school level, all urban children and 80 per cent of the rural children will be accommodated in schools. This means that by the end of the Fifth Plan all villages with 50 or more inhabitants (of which there are around 45,000) will have school facilities for primary as well as adult pupils. Some 128,000 Literacy Corpsmen will be sent to villages during the Fifth Plan.

3.3 ADULT EDUCATION

In the field of adult education, the purpose will not be merely to make them literate, but also to give them short vocational and introductory courses. For this purpose, some 32,000 members of the Extension and Development Corps will be sent to villages and extensive use will be made of the media of mass communication.

Through this programme the literacy rate of the adult (10-44 years of age) population will rise from the present 50 per cent to 80 per cent by the end of the Fifth Plan. At the same rate of progress, literacy will rise to 100 per cent among the 16-44 years) group by the end of the Sixth Plan.

3.4 INTRODUCTORY EDUCATION

The number of students in introductory courses (lower high school) will rise by more than twice, to 1.54 million by the end of the Fifth Plan.

3.5 SECONDARY EDUCATION

The rate of secondary education will be moderated as much as possible during the Fifth Plan, dropping by about 9 per cent in order to introduce more diversity and to shift emphasis to technical, service and administrative education.

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3.6 VOCATIONAL EDUCATION

The aim of the Fifth Plan is to vastly increase the capacity of vocational schools and to diversify their subjects to cover industry, agriculture and services. Some 500 vocational and technical schools are envisaged which will raise the capacity from the present 95,000 to 362,000 by the end of the Fifth Plan.

These schools will graduate 72,000 Grade I technicians, 132,000 Grade II technicians and about 600,000 skilled and semi-skilled workers in the three major fields of industry, agriculture and services. At the same time, the Ministry of Labour will also encourage technical apprentice training schemes through the special fund so that by the end of the Fifth Plan some 29 industries will be subject to the Apprentice Training Law.

TABLE 2
VOCATIONAL SCHOOLS CAPACITY
(AT END OF FIFTH PLAN)

Subject of Training	End of 4th Plan	End of 5th Plan	Number of Graduates
Technician, Grade I (above diploma)*	24,760	42 500	72,700
Technician, Grade II (diploma)	64,550	183,400	132,100
Pre-Employment and/or during Employment Training	–	–	141,000
Skilled Workers and Semi Skilled Workers	31,050	179,000	603,900

* including students of higher educational institutions

Furthermore, special short training courses will be introduced to absorb the high school graduates who enter the labour market.

3.7 HIGHER EDUCATION

The number of students in the institutes of higher education will rise from 108,000 at the end of the Fourth Plan to 190,000 students at the end of the Fifth Plan. A substantial part of this increase will be in the fields of education (pedagogy), technical and vocational subjects of two-year duration, as shown in the following table:

TABLE 3
STUDENTS AT INSTITUTES OF HIGHER EDUCATION
(AT END OF FIFTH PLAN)

Subject of Speciality	End of 4th Plan	End of 5th Plan	Percentage of Total
Humanities	15,100	19,000	10.0%
Pedagogy*	20,000	37,300	19.5%
Arts	3,400	5,300	2.8%
Law	2,000	3,400	1.8%
Social Sciences	23,600	42,000	22.2%
Mathematics and Natural Science	10,800	20,900	11.0%
Engineering	18,000	34,800	18.3%
Medicine	10,500	19,000	10.0%
Agriculture	4,600	8,300	4.4%
Total	**108,000**	**190,000**	**100.0%**

* 5,000 will be trained in pedagogy and the rest in special subjects as teachers.

3.8 RESEARCH

The National Research Council will be strengthened to define and determine the country's research policy and the need for continuous research. Universities and other institutes of higher learning are considered the central element of research programmes. The establishment of research establishments separate from educational institutions will be avoided as much as possible.

It is essential that universities should also determine their own fields of speciality, and concentrate on specific fields instead of the present diverse manner of research. They should also arrange for the entire student body to participate in research work.

3.9 TEACHERS' TRAINING

During the Fifth Plan an estimated 80 teachers' training centres will be established. Until these units become operative, the Fifth Plan needs will be fulfilled through short-term courses in the existing centres as well as universities.

3.10 SPORTS

Special attention will be paid to the promotion of sports and physical culture during the Fifth Plan. Some five hundred sports grounds and similar athletic complexes will be set up in cities, towns and villages where schools have sufficient open air facilities.

4 Investment and Allocations

Total allocations for education will be increased from 134 billion rials in the Fourth Plan to 405 billion rials in the Fifth Plan. Of this, 230 billion rials will come from development funds, as compared with 4.45 billion rials under the Fourth Plan.

About 30 per cent of the total educational allocations — 125 billion rials — will be devoted to rural education.

Government investment in education will rise from 3.4 per cent of the gross national income at the end of the Fourth Plan to 5.4 per cent of the GNI during the Fifth Plan. At present the Government spend spends 3.8 per cent; at the end of the Fifth Plan the figure will be around 6 per cent.

TABLE 4
EDUCATIONAL ALLOCATIONS UNDER THE FIFTH PLAN
(Figures in billions of rials)

Title of Plan	Current Allocations (1)	Development Allocations Fixed (2)	Non-Fixed (3)	Total 4 (2 + 3)	Total 5 (1 + 4)
Kindergarten education	—	1.5	1.5	3.0	3.0
Primary education	80.6	22.4	26.2	48.6	129.2
Introductory education	13.9	16.5	20.3	36.8	50.7
Secondary education	23.0	7.5	1.5	9.0	32.0
Technical and Vocational education	5.2	22.7	16.1	38.8	44.0
Higher education	28.4	29.5	14.2	43.7	72.1
Adult education	—	1.0	5.6	6.6	6.6
Teachers' Training	4.6	16.7	10.8	27.5	32.1
Educational Aid Programme	—	2.0	2.0	4.0	4.0
Research and Studies	2.3	—	4.0	4.0	6.3
Sports	—	7.2	0.8	8.0	8.0
General Services	17.0	—	—	—	17.0
Total	175.0	127.0	103.0	230.0	405.0

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TABLE 5
FIXED INVESTMENT IN EDUCATION
(Figures in billions of rials)

	Public Sector (1)	Private Sector			Total
		(2)	(3)	4 (2 + 3)	5 (1 + 4)
Kindergatten Education	1.4	0.1	0.1	0.2	1.6
Primary Education	22.4	0.2	–	0.2	22.6
Introductory Education	16.2	0.4	0.3	0.7	16.9
Secondary Education	7.3	0.3	0.2	0.5	7.8
Technical and Vocational Education	22.7	–	–	–	22.7
Higher Education	29.0	0.5	0.5	1.0	30.0
Adult Education	1.0	–	–	–	1.0
Teachers' Training	16.7	–	–	–	2.0
Educational Aid Programme	2.0	–	–	–	2.0
Research and Studies	–	–	–	–	–
Sports	7.2	–	–	–	7.2
Total	**125.9**	**1.5**	**1.1**	**2.6**	**128.5**

(2) from private savings
(3) from development funds
(4) total private investment

CHAPTER XXI
ARTS AND CULTURE

1. Specific Objectives

The basic objectives of arts and culture have three aspects – research, education and dissemination as follows:

a) cultural research to revive and preserve the national cultural heritage;

b) cultural and art education;

c) dissemination of art and culture;

d) provision of facilities for artistic and cultural creation;

e) cultural relations.

2. Specific Targets

The specific targets are based on the above five objectives. In the field of cultural research it consists of:

- archaeological excavations; ethnographic studies, research in folklore, philology and greater work through the Academy of Iranian languages, Academy of Iranian Arts and Letters, the Shahnameh (Ferdowsi) Foundation, the History Society, and the High Council of the Ministry of Arts and Culture.
- preservation, restoration and repair of national monuments;
- establishment of the national Centre for Archaeological Research, History and Art of Iran.

2.1 EDUCATION

Cultural and arts education will consist of education (audio-visual), museums, libraries, etc. The number of arts students will increase to at least double the level at the end of the Fourth Plan. At least four art schools will be set up in major provincial centres; a school will be set up for museum curators. There will be new museums; a new building for the National Library with room for 3,000,000 volumes of books. Throughout the country there will be some 200 libraries (of three categories).

2.2 DISSEMINATION

In the field of dissemination of arts and culture, most of the programmes will be in writing and cinematography; though some 30 new cultural centres will be set up in cities and towns. Loans will be given to private investors to set up cinemas in small towns; and to Iranian producers to produce films. Support will be given for the traditional folk theatre.

2.3 FACILITIES

Facilities for artistic and cultural creations will include help to hold art exhibitions; setting up of welfare houses for artists and musicians; the setting up of government art galleries to purchase valuable artistic works for galleries as well as museums.

2.4 CULTURAL RELATIONS

Cultural relations include efforts to revive and strengthen the Persian language on the Iranian plateau and in the neighbouring countries; the setting up of an Iran House at Hyderabad (India); expansion of cultural relations and exchange of books, publications, students and faculty members.

3. Investment and Allocation

Total allocations for arts and culture under the Fourth Plan is 4.4 billion rials (consisting of 1.5 billion rials out of development budget and 2.9 billion rials out of normal budget). This will be increased to 15.9 billion rials under the Fifth Plan. The cost of art education comes under the Chapter on Education.

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TABLE 1
ARTS AND CULTURE ALLOCATIONS
(Figures in billions of rials)

	Current Allocations (1)	Development Allocations			Total
		Fixed (2)	Non-Fixed (3)	Total 4 (2 + 3)	5 (1 + 4)
1. Research and Preservation of Cultural Heritage	0.214	1.873	1.850	3.723	3.937
2. Dissemination of Culture	0.565	1.768	1.400	3,168	3.733
3. Arts Training and Education	0.190	1.399	0.617	2.016	2.206
4. Facilities for Artistic and Literacy Creation	–	0.160	0.165	0.325	0.325
5. Cultural Relations	0.100	–	0.168	0.168	0.268
6. Administrative Services	5.470	–	–	–	5.470
Total	6.539	5.200	4.200	9.400	15.939

TABLE 2
ARTS AND CULTURE FIXED INVESTMENT
(Figures in billions of rials)

	Public Sector			Private Sector			Total
	(1)	(2)	3 (1 + 2)	(4)	(5)	6 (4 + 5)	7 (3 + 6)
1. Research and Preservation of Cultural Heritage	1.873	–	1.873	–	–	–	1.873
2. Dissemination of Culture	1.568	–	1.568	0.200	0.200	0.400	1.968
3. Arts Training and Education	1.399	–	1.399	–	–	–	1.399
4. Facilities for Artistic and Literary Creation	0.160	–	0.160	–	–	–	0.160
5. Cultural Relations	–	–	–	–	–	–	–
Total	5.000	–	5.000	0.200	0.200	0.400	5.400

(1) Paid out of development funds
(2) Paid out of private income of establishments concerned
(3) Total public sector investment (1) + (2)
(4) Paid out of private savings
(5) Paid out of development funds (loaned to private sector)
(6) Total private fixed investment (4) + (5)
(7) Grand Total

CHAPTER XXII

TOURISM

1. Basic Objectives

Iran occupies a favourable geographical position between East and West, and enjoys a number of natural and acquired attractions for international tourists. Domestic tourism has also been expanding due to the development of the country, its economic boom, and the rise in per capita income. Tourism provides further economic gains and more foreign exchange earnings.

2. Overall Policies

2.1 PRIVATE SECTOR

In view of past experience, direct government operation of tourist facilities will be avoided, confining government efforts to those parts of the industry in which the private sector lacks interest or is unable to invest.

2.2 DOMESTIC TOURISM

More attention will be paid to domestic tourism in terms of accommodation and recreational facilities for middle and low-income groups.

2.3 FINANCING

The regulations for loan facilities to the private sector will be reviewed completely in order to further encourage investment in the right direction.

2.4 TOURIST ACCOMMODATION COMPANY

The Administration and operation of the tourist facilities run by the Tourist Accommodation Company will be reviewed so that the company can operate on a commercially profitable basis and to avoid as much as possible running at a loss.

2.5 TOURIST FACILITIES

INTO, in conjunction with other government organisations and agencies, will endeavour to offer as many facilities as possible for the movement, accommodation and recreation of tourists.

3. Specific Targets

3.1 To increase the number of foreign tourists from 415,000 at the end of the Fourth Plan to 925,000 at the end of the Fifth Plan;

3.2 to increase the number of domestic tourists from about 4 million at the end of the Fourth Plan to 6 million at the end of the Fifth Plan;

3.3 The number of tourist rooms and beds in hotels and similar tourist accommodation establishments will rise from 11,800 rooms and 25,350 beds at the end of the Fourth Plan to 21,000 and 25,350 beds at the end of the Fourth Plan to 21,000 rooms and 45,750 beds at the end of the Fifth Plan; This will set the Fifth Plan target at 9,200 additional rooms of various classification and 20,400 beds.
A variety of other tourist accommodation establishments have been envisaged in urban centres, at frontiers, tourist routes and tourist and recreational centres. These include youth hostels, camps, tourist complexes in the Caspian region; at mineral water spas, mountain resorts, and near dams, as well as tea houses and pilgrim hostels.
For youths, there will be 4,750 tents with 18,500 beds; eight tourist centres with 12,000 beds; 750 rooms with 2,500 beds. There will be an equal amount of facilities for pilgrims.

In addition, there will be tourist publicity, training of personnel in tourist accommodation and other tourist establishments at different levels.

4. Allocations

Total allocations for tourism will increase from 4 billion rials (consisting of 3.6 billion rials out of development budget and 0.4 billion rials out of the normal budget) to 8.9 billion rials in the Fifth Plan.

Table 1 shows details of these allocations in the Fifth Plan. Table 2 shows fixed investment by the public and private sectors in the tourist industry.

The training costs of the Tourist section have been included in the Chapter on Education.

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TABLE 1
DEVELOPMENT ALLOCATIONS IN TOURISM
(Figures in billions of rials)

	Current Allocation (1)	Development Allocations			Total 5 (1 + 4)
		Fixed (2)	Non-Fixed (3)	Total 4 (2 + 3)	
1. Luxury Tourist Installations	–	2.570	–	2.570	2.570
2. Medium Tourist Installations	–	3.127	–	3.127	3.127
3. Low-Priced Tourist Installations	–	1.353	–	1.353	1.353
4. Tourist Publicity	0.425	–	0.540	0.540	0.965
5. Research and Studies	–	0.110	–	0.110	0.110
6. Administrative Services	0.842	–	–	–	0.842
Total	1.267	7.160	0.540	7.700	8.967

TABLE 2
FIXED INVESTMENT IN TOURISM
(Figures in billions of rials)

	Public Sector			Private Sector			Total
	(1)	(2)	3 (1 + 2)	(4)	(5)	6 (4 + 5)	7 (3 + 6)
1. Luxury Tourist Facilities	1.070	–	1.070	3.100	1.500	4.600	5.670
2. Medium Tourist Facilities	1.917	–	1.917	4.000	1.100	5.100	7.017
3. Low-Priced Tourist Facilities	0.863	–	0.863	1.900	0.600	2.500	3.363
4. Research and Studies	0.110	–	0.110	–	–	–	0.110
Total	3.960	–	3.960	9,100	3.200	12.200	16.160

(1) Paid out of development funds
(2) Paid out of the private income of establishments concerned
(3) Total public sector investment (1) + (2)
(4) Paid out of private savings
(5) Paid out of development funds (loaned to private sector)
(6) Total private fixed investment (4) + (5)
(7) Grand Total

CHAPTER XXIII

HEALTH, SANITATION, NUTRITION AND FAMILY PLANNING

1 Basic Objectives

The basic objective of the Fifth Plan is to improve public health and sanitation, environmental health, general nutrition, and medical services including physical rehabilitation, and to control the rate of birth.

All units offering medical services should, in one way or another, be brought within a system of comprehensive and co-ordinated service. Further Government financial assistance for medical units will consider a fair distribution of such units and their comprehensive nature. In view of the shortage of trained staff, building of small hospitals will be avoided in favour of hospitals with more beds, serving a larger area.

Medical service in principle should be provided under social security (insurance) through the hire of private services. But in areas where the likelihood of private investment in medical services is remote, the public sector will undertake to provide such services.

All hospitals operated by the government and charity organisations will devote their services to low-income groups not covered by social security (medical insurance). The Government will not only continue offering loans for hospitals to groups of physicians and surgeons, but will complete the construction of planned hospitals, which will be leased or sold to such groups for operation. Instead, the Government will buy their professional services for its own employees and low income groups.

In rural areas, health-medical services will be mainly on a mobile and even house-to-house basis because of the scattered nature of villages and their low population density. However, more manpower is to be trained for resident services in first aid and simple treatment, functioning under the supervision of the nearest health-medical centre. In view of the difficulties experienced in despatching doctors to rural areas, establishment of new medical organisations will be prevented in favour of closer liaison between the rural networks and urban medical centres.

A programme will be carried out to ensure the supply of minimum nutrition requirements to remove nutrition deficit among low-income groups. To consider the practical implications of this, a special committee will be formed in the Plan Organisation composed of representatives of all executive agencies and organisations.

2. Responsibilities and Duties

The Ministry of Health will be responsible for controlling and co-ordinating the work of all health and medical institutions, and will operate some of the hospitals for chronic diseases.

Medical colleges and similar schools will expand their facilities and improve the standards of their hospitals. Moreover, a larger number of hospitals will be attached to medical colleges.

The Red Lion and Sun Society (RLSS) will be responsible for offering medical service to citizens of low-income strata not covered by any medical scheme. It will enjoy government financial assistance to discharge this task.

The Imperial Organisation for Social Services (IOSS) will avoid building new hospitals, but will expand its operation through clinic-dispensaries and thus take a larger share in the health-medical services in rural areas.

The Rural Social Insurance Organisation will reduce its task in providing medical services and will confine itself to medical insurance. Out-patient medical services to rural inhabitants covered by social insurance will be provided by the health-medical services. Hospital treatment will be provided for them by the Organisation in private medical hospitals, but in the absence of such private institutions they will be hospitalised in government hospitals.

The (Urban) Social Insurance Organisation will continue to expand its facilities with the ultimate object of providing insurance benefits for all wage and salary earners not in government service. The Organisation will not be allowed to build its own hospitals any more. It will offer such services to the insured through private hospitals.

The Mothers and Infants Protection Society will complete its unfinished maternity hospitals, and will turn its smaller maternity hospitals into general hospitals in order to increase their yield and efficiency.

In order to prevent disruption and scattering of medical services, other charity organisations will not be allowed to build hospitals out of government financial aid.

3. Birth Control

Iran now has one of the highest birth rates in the world at 3.1 per cent per annum. Top priority is given to birth control to reduce the birth rate as this is essential for the attainment of the targets and objectives of the Fifth Plan. Ultimately, within a few more five-year plans, it is hoped to reduce the birth rate to 1 per cent per annum.

During the Fifth Plan, the birth rate is expected to drop from 47 per 1,000 to 40 per 1,000, while the mortality rate drops from 16 per 1,000 to 14 per 1,000. This would give a rate of 2.6 per cent in annual population growth.

4. Health Services

The health services will seek to control contagious diseases and prevent epidemies; reduce trachoma, venereal diseases, leprosy, Malt fever, etc., by 30 per cent; improve school health, vocational (industrial) labour health, women's health and mental health.

The health objectives also include environmental controls, anti-pollution, and control of foodstuffs, pharmaceutical products and cosmetics.

There will be some 1,500 medical or health units in urban centres and 1,700 health-medical units in rural areas, concerned with family planning advice and services. Some 70 major medical centres, 340 secondary centres will be opened in urban areas and about 600 mixed centres in rural areas.

The number of hospital and sanatorium beds is 13.6 beds per 10,000 persons at the end of the Fourth Plan. Considering the potentials for increased medical personnel, a 35 per cent increase in hospital beds is projected, giving the fiture of 18.4 beds per 10,000 persons at the end of the Fifth Plan. Details of the increase are as follows:

INCREASE IN HOSPITAL BEDS

RLSS Hospitals	2,700 beds
Medical College Hospitals	1,500 beds
Other Government Hospitals	10,800 beds
Private Hospitals	9,000 beds
Total Increase	**24,000 beds**

Of the 9,000 hospital to be built by the private sector, it is estimated that 7,000 beds will be financed by loans provided by the Government.

By the end of the Fifth Plan, the number of hospital beds in various types of hospitals will be as follows:

HOSPITAL BEDS
AT THE END OF THE FIFTH PLAN

Hospitals	Beds	% of Total
Government and charity organisations	44,000	67%
Private Hospitals	15,000	23%
Social (Security) Insurance	6,000	10%
Total	**65,000**	**100%**

5. Rural Health-Medical Services

Another major aim of the health plan is to improve the rural health-medical services in quality and quantity. For this purpose, some 600 new and mixed health-medical service centres will be established creating a network of 1,400 mixed centres and 300 Health Corps groups. Each unit will discharge four tasks:

Out-patient treatment
Immunisation
Birth Control
Improved nutrition

6. Improved Nutrition

In long-term view-point, improved nutrition follows development policies especially higher income for the low-income families, provision of the necessary foodstuffs, and stabilisation of foodstuffs prices, especially of wheat, for the consumer. The nutrition programme is as follows:

- to increase bread consumption in order to offer higher calory and protein intake for all age groups except babies (under three years)
- to enrich bread with Vitamins A, B_2 and – if possible – with Vitamin C
- to consider the possibility of adding iron to bread and iodine to salt in order to help prevent anaemia and goitre
- including nutrition services among the health network to control malnutrition among babies
- to provide meals for school children, mothers and workers

The specific targets of nutrition plan include:

Babies:	treatment of malnutrition among babies. Some 15,000 babies suffering from advanced malnutrition, and 50,000 babies suffering from medium malnutrition by the end of the Fifth Plan. Special food services to augment babies' and mothers' nutrition will cover 30 per cent of the urban and 10 per cent of the rural families by the end of the Plan.
Young Children:	provide meals for school children in rural areas numbering 138,000, and subsidised food for some 480,000 urban children and a million rural children.

7. Training

To provide the trained staff necessary for the medical and health services during the Fifth Plan, the following training institutions are to be established:

2 medical colleges
3 schools for medical assistants
36 nursing schools
9 midwifery schools
35 schools for medical and health technicians, laboratory assistants, radiologists, physiotherapists, and sanitary engineers, etc.

8. Research

The research programme in the health, medical and nutrition plan will include:

- ways and means of preventing unwanted babies
- research in the best method of registration of births, etc.
- study in the field of better determination of mortality rate and causes
- research in indigenous diseases and development and production of the required vaccines
- research in cancer
- study and research for as long-term health-medical service in the country

- study and research to determine the optimum methods of training of medical staff
- research on food and nutrition

9 Investment and Allocation

Total fund allocation for health, medical services, birth control and nutrition amounts to 116.5 billion rials of which 52 billion rials will be provided by the development budget. The remaining 64.5 billion rials will come from normal budget. Of the 52 billion rials development allocations, 23.65 billion rials will be in the form of investment in fixed installations.

The private sector is expected to make fixed investments totalling 9.20 billion rials.

Table 1. Immunization Programme During 5th Plan

Type of Immunization	Age Group	Present Immunization %	Immunization by 1978 %	Number of Vaccinations
Measles	7 months to 9 years	50	90	5 millions
B.C.G. (T.B.)	6 months to 20 years	30	90	13 millions
Diph.-Tet.-Whooping cough	3 months to 5 years	40	70	7 millions
Diph-Tetn.	5-10 years	40	70	7 millions
Polio	Upto 14 years (Urban pop.)	75	90	9 millions
Smallpox	All ages	75	90	50 millions
Cholera	All ages	(wherever necessary)		50 millions

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TABLE 2
HEALTH, MEDICAL SERVICES, NUTRITION AND BIRTH CONTROL ALLOCATIONS
(Figures in Billions of Rials)

Title of Plan	Current Allocations (1)	Development Allocations			Grand Total 5 (1 + 4)
		Fixed (2)	Non-Fixed (3)	Total 4 (2 + 3)	
1. Birth Control	4.70	0.10	3.10	3.20	7.90
2. Health Services	14.20	6.00	8.00	14.00	28.20
3. Medical Services	24.00	15.00	6.50	21.50	45.50
4. Rural Health-Medical Services	15.50	1.90	4.10	6.00	21.50
5. Nutrition Improvement					
a) Babies (under three years)	–	–	2.50	2.50	2.50
b) Children	0.35	–	2.80	2.80	3.15
c) General Public	0.20	–	0.40	0.40	0.60
6. Research and Studies					
a) Health	1.50	0.60	0.80	1.40	2.90
b) Nutrition	0.25	0.05	0.15	0.20	0.45
7. Administrative Services	3.80	–	–	–	3.80
Total	64.50	23.65	28.35	52.00	116.50

Funds for the training of technical staff are provided under the Chapter on Education

TABLE 3
FIXED INVESTMENT IN HEALTH, MEDICAL SERVICES, NUTRITION AND BIRTH CONTROL
(Figures in Billions of rials)

Title of Plan	Public Sector			Private Sector			Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Birth Control	0.10	–	0.10	–	–	–	0.10
2. Health Services	6.00	–	6.00	–	–	–	6.00
3. Medical Services	10.00	1.0	11.00	4.00	5.00	9.00	20.00
4. Rural Health-Medical Services	1.90	–	1.90	–	–	–	1.90
5. Nutrition Improvement	–	0.30	0.30	0.20	–	0.20	0.50
6. Health and Nutrition Research	0.65	–	0.65	–	–	–	0.65
7. Administrative Services	–	–	–	–	–	–	–
Total	18.65	1.30	19.95	4.20	5.00	9.20	29.15

(1) Paid out of development funds
(2) Paid out of private income of establishments concerned
(3) Total public sector investment (1) + (2)
(4) Paid out of private savings
(5) Paid out of development funds (loaned to private sector)
(6) Total private fixed investment (4) + (5)
(7) Grand Total

CHAPTER XXIV

SOCIAL WELFARE AND SECURITY

The following priorities are under consideration in the provision of social welfare and security:

- **Low income**

  Groups in backward urban and rural centres and unskilled workers will be provided with social welfare assistance;
- **Social Groups**

  Certain social groups, such as children and teachers, will be given priority;
- **Disability**

  Physically, mentally or socially disabled persons will be given humanitarian and social consideration.

Details of the social welfare and security during the Fifth Plan, based on the above priorities, are as follows:

SOCIAL SECURITY

1. Basic Objectives

- **To provide the necessary services to citizens in times of need or emergency;**
- **to provide desirable and reasonable protection to members of the family in case of death or disability of the bread-winner;**
- **to provide a livelihood during old age, disability or unemployment;**
- **to provide medical and health in illness and maternity services;**
- **to provide essential social and co-operative aid.**

2. Overall Policies

2.1 WORKERS' SOCIAL SECURITY

- **all workers insured by the Social Insurance Organisation and paying their dues must be given access to the benefits of insurance during the Fifth Plan. (At present some 30 per cent of such insured persons have no access to benefits).**
- **the insurance premium should be separated for each of the benefits such as health, retirement, death, etc.**
- **a part of the income of the Social Insurance Organisation should be devoted to the expansion of medical facilities through loans to medical groups.**
- **in order to discourage unnecessary calls on medical services, it is necessary that patients should pay a negligible share of the medical expenses themselves.**
- **the insured must have the right to select or choose their own doctors, but the system of employed physicians must not be allowed to expand.**
- **all medical insurance affairs should be centralised in an independent authority and be separated from other fields of social security in order to allow it to rapidly expand and to embrace all wage and salary earners. Other sections such as disability, pension, and death should be gathered under another independent organisation. The High Council of Social Insurance would liaise between the two authorities.**
- **the administrative and personnel expenses of the Social Insurance Organisation should be reduced to the world average level.**
- **action should be taken to raise the pension and the stipendiary paid to disabled persons and to the next of kin, as the present level is low.**
- **since there is a shortage of medical facilities operated by the Social Insurance Organisation , it is essential that the Organisation should eliminate the shortage by utilising the services of the private sector and the public sector. Where no such facilities exist, it should build hospitals in conjunction with the medical network and approval of the Ministry of Health.**

2.2 CIVIL SERVICE

- **action should be taken during the Fifth Plan to establish a civil service pension fund in the true sense of the word;**
- **the contributions made by the government and the civil servants should be reviewed so that pension and other**

I.L.O. TEHERAN B.I.T.

deductions are based on net or gross salary and allowances;

- service regulations should be reviewed and amended without restricting the rights of the employees;
- as far as possible, the regulations concerning pension in government agencies and companies should be harmonised.

2.3 RURAL SOCIAL SECURITY

Medical service for out-patients will be provided through the national medical service network. Hospital services will be provided by paying for them at private sector hospitals.

3. Specific Targets

The long-term target is to provide 90 per cent coverage for the urban population of the country over the next 15 years for illness, death, disability and retirement; and 80 per cent of the rural population over the next 20 years for illness, disability and death.

3.1 During the Fifth Plan, the number of medically insured workers will rise from 900,000 to 1.4 million — raising the total number of persons (including members of their families) from 3.4 million to 5.1 million;

- the number of workers insured against death, disability, with retirement pension will rise from 950,000 to 1.5 million — representing a population (with their families) rising from 3.6 million to 5.7 million;
- the number of hospital beds will rise from 1.9 beds per thousand insured persons to 2.5 beds (including members of their families); while the number of calls per doctor will be reduced from the present 80 to only 50;
- unemployment insurance will be provided experimentally for some 100,000 workers who with their families will represent a population of 500,000.

3.2 OFFICE WORKERS' SECURITY

Medical facilities will be provided for 80 per cent of the civil servants and members of their families, raising the number from 940,000 to two million;

- about 300,000 office workers in the private sector and 400,000 self-employed persons in urban centres will have access to medical insurance and pension schemes;
- all school children and students in urban centres will be covered by accudent insurance through collective agreements.

3.3 RURAL INSURANCE

Medical insurance coverage for rural inhabitants will rise from 100,000 to 4 million; with the number insured against death to 100,000 (who with members of their families will form a population of 500,000).

Table 1 gives details of the social security programme under the Fifth Plan.

3.4 WELFARE SERVICES

Specific Targets:

- Family and Child Welfare

  100 family welfare centres and 150 nurseries will be established in the low-income areas and over-crowded and backward quarters of cities and towns to provide social welfare services for low-income families and to offer care for babies whose mothers hold jobs;
- Orphanages

  120 para-family homes, one para-family home complex and one new orphanage with accommodation for 500 children will be set up and ten existing orphanages and 10 hostels will be equipped in order to provide care and shelter for orphans.
- Rural Welfare

  The rural houses of culture will coordinate their services within the framework of rural development zones.
- Workers' Welfare

  Apart from developing workers' profit-sharing scheme, social welfare centres will be provided in major labour areas. A central union of consumer cooperatives will be established to feed some 300 consumer cooperatives formed by workers. About 80 such cooperatives now in existence will be equipped.
- Teachers' Welfare

  Twenty-four new cultural-social centres, one seaside resort, and four mountain resorts will be built and 150 consumer cooperatives will be set up or expanded.

- **Emergency Services**

  First aid servides in emergencies will be provided through the Red Lion and Sun Society, with special emphasis to reconstruction of houses in rural areas damaged by earthquake, floods, etc.

- **Rehabilitation**

  The following measures will be taken for the rehabilitation of socially, physically or mentally disabled persons:

  (i) juvenile delinquents:
  ten reformatories will be built in ten cities. There will also be a hostel for children in need of care and shelter who leave such reformatories;

  (ii) narcotic addicts:

  there will be a 3,000-bed hospital for the treatment of narcotic addicts. Police and gendarmerie anti-narcotics sections will be equipped. Radio, television and other campaigns will be organised to give anti-narcotic publicity;

  (iii) Prisoners:

  sixteen existing penitentiaries will be rebuilt (out of Government building funds). Some 5,000 prison inmates will be made literate and given vocational training (out of educational funds). Assistance will be given to the National Society for the Protection of Inmates; and the Prison Industries Cooperatives.

- **Beggars**

  The existing work building for beggars will be completed, where beggars will be made literate and given vocational training.

- **Mentally Retarded Persons**

  5,000 mentally retarded children will will be provided with special education; a well-equipped clinic will be set up to determine the types and degrees of retardity. Ten special units will be built for the care of incurably retarded adults. 500 special instructors will be trained.

- **Mentally Ill Persons**

  Two new buildings will be constructed adjacent to the existing mental hospitals in Tehran, each with a capacity of 250 mentally ill persons (incurable). Three mental hospitals will be built in the provinces.

- **Deaf Persons**

  A well-equipped clinic will be set up for the deaf; special education will be given to about 7,500 incurably deaf persons and three existing schools will be equipped;

- **Blind Persons**

  480 special instructors will be trained; 5,000 blind will be made literate, 2,500 will be given vocational training. 50 special scholarships will be granted. Protected workshops will be built and some 2,000 retail stands will be set up and one special farm estate will be started for the blind. More attention will be given to the prevention of eye diseases in rural areas.

- **Physically Disabled**

  500 beds will be added for the rehabilitation of the physically disabled. A rehabilitation centre will be set up for persons with disabled spines. Protected workshops will be set up to provide jobs for 7,500 disabled persons. Education and special training will also be given. Centres will be set up to provide care and shelter for the phsyically disabled.

- **Volunteer Services**

  Youths and other social workers will be mobilised on voluntary basis for development projects, national development and for international service through the Universal Welfare Legion.

4. Investment and Allocations

Total allocations for social security and welfare under the Fifth Plan will be 16 billion rials of which 7.8 billion rials will be for social security and 8.2 billion rials for social welfare. Tables 2 and 3 show allocations and fixed investment.

TABLE 1
SOCIAL SECURITY BENEFICIARIES (FOURTH AND FIFTH PLANS)
(in thousands of persons)

Insured Groups	Wage Earners (Workers)	Civil Servants	Private Office Workers	Self Employed Persons	Farmers	Total
Medical Insurance:						
Number of Insured in 1351	900	360	–	–	20	1,180
Number of Insured in 1356	1,400	600	80	100	800	2,980
Number of Beneficiaries in 1351	3,400	260	–	–	100	3,760
Number of Beneficiaries in 1356	5,100	2,000	300	100	4,000	11,500
Other Insurances:						
Number of Insured in 1351	950	300	–	–	–	1,250
Number of Insured in 1356	1,500	450	80	100	100	2,230
Number of Beneficiaries in 1351	3,600	960	–	–	–	4,560
Number of Beneficiaries in 1356	5,700	1,400	300	400	500	8,300

Beneficiaries = the insured plus members of his immediate family
Other Insurances = against death, disability and retirement

TABLE 2
SOCIAL SECURITY AND WELFARE ALLOCATIONS
(Figures in billions of rials)

	Current Allocation (1)	Development Allocations Fixed (2)	Development Allocations Non-Fixed (3)	Development Allocations Total 4 (1 + 3)	Total 5 (1 + 4)
1. Workers Social Insurance	–	–	0.10	0.10	0.10
2. Office Staff Social Insurance	34.00	–	4.50	4.50	38.50
3. Farmers Social Insurance	0.20	–	3.20	3.20	3.40
4. Welfare Services	3.63	3.76	1.73	5.49	9.12
5. Rehabilitation	0.61	1.41	0.62	2.03	2.64
6. Social Participation	–	0.33	0.10	0.43	0.43
7. Training and Research in Social Welfare*	0.02	–	0.25	0.25	0.27
Total	38.46	5.50	10.50	16.00	54.46

* Welfare education funds come under Chapter on Education.

TABLE 3
FIXED INVESTMENT BY PUBLIC SECTOR IN SOCIAL SECURITY AND WELFARE

(Figures in billions of rials)

Title of Plan	Development Allocation	Private Income of Societies	Total
1. Workers' Social Insurance	–	–	–
2. Staff Social Insurance	–	–	–
3. Farmers Social Insurance	–	–	–
4. Welfare Services	3.76	–	3.76
5. Rehabilitation	1.41	–	1.41
6. Social Participation	0.33	–	0.33
7. Training and Research	–	–	–
Total	5.50	–	5.50

I.L.O. TEHERAN B.I.T.

CHAPTER XXV
PHYSICAL CULTURE, YOUTH AND SCOUTING

1. Basic Objectives

- to promote physical health and well-being;
- to contribute to the balanced physical growth of the young;
- to develop community cooperation;
- to encourage healthy recreation;
- to encourage youth participation in social and development activities;
- to strengthen national and international understanding.

2. Overall Policies

2.1 SPORTS AND PHYSICAL CULTURE

The Government will continue its policy of promoting sports and athletics under coordinated and harmonized supervision. Many organisations and ministries such as the Ministry of Science and Higher Education, the Ministry of Education, the Ministry of Labour and Social Affairs, and the Ministry of Cooperatives and Rural Affairs will carry their own programmes. Sports facilities such as sports grounds, stadiums, swimming pools, track and field facilities and gymnasiums will be built in all parts of the country to promote sports at all levels and among all groups. Special attention will be paid to natural activities such as hiking, mountaineering, etc. to attract people to out-door activities. Media of mass communications will be employed for sporting events to raise athletic skills and compensate for shortage of sports instructors. The private sector will be encouraged through loans and other incentives to build sports clubs and facilities.

2.2 YOUTH

The laws and organisations will be reviewed to harmonize their approaches to youth affairs. Greater support will be given to collective youth activities. Opportunities will be provided to develop youth talents and to recognise talented youths.

2.3 SCOUTING

Scouting programmes will be reviewed to attract more members and to meet the requirements. Non-scout youths will be employed in scouting centres. Scouting will be promoted at all levels.

3. Specific Targets

3.1 SPORTS

- 25 children's playgrounds will be built in major cities and provincial centres;
- sports facilities will be provided at over 1,000 nurseries, kindergartens, schools, children's playgrounds, etc.
- 500 athletic complexes will be provided for schools in large urban centres which now lack sports facilities. Five athletic halls will be built; and sports complexes will be constructed for the universities of Tehran and Meshed;
- the sports facilities of Aryamehr and Farahabad Stadiums will be expanded;
- a 25,000 person stadium and 30 sports complexes (five for workers) will be built each of which will have open-air training and practice areas, swimming pools, field and track ground, covered hall, etc. covering an area of 12,000 square metres each.
- ten covered and 35 open-air swimming pools will be constructed.

3.2 YOUTH

- 40 youth centres will be established in urban centres;
- 50 mental development centres for young adults and adolescents will be set up throughout the country;
- 10 youth centres of the Red Lion and Sun Society will be equipped;
- a new training course will be set up to train 400 youth instructors at college level.

3.3 SCOUTING

- 100 scouting homes will be completed and equipped. The number of scouts will rise to 500,000;
- 20 new scouting homes will be established;
- preparations will be made for a world jamboree;
- scouting instructors will be trained (up to 20,000);

- recreational facilities will be increased near cities and towns.

4. Investment and Allocations

Total allocations and investment in physical culture, youth and scouting during the Fifth Plan are shown in Tables 1 and 2.

TABLE 1
ALLOCATIONS FOR PHYSICAL CULTURE, YOUTHS AND SCOUTING

(Figures in billions of rials)

Title of Plan	Current Allocation (1)	Development Allocations			Total 5 (1 + 4)
		Fixed (2)	Non-Fixed (3)	Total 4 (2 + 3)	
1. Sports and Physical Culture	19.71	7.50	1.00	8.50	28.21
2. Youth	0.81	0.64	0.25	0.89	1.70
3. Scouting	0.34	0.57	0.05	0.61	0.95
Total	20.86	8.70	1.30	10.00	30.86

TABLE 2
PUBLIC SECTOR FIXED INVESTMENT

(Figures in billions of rials)

Title of Plan	Public Sector Fixed Investment		Total
	Development Allocation	Private Income of Agencies	
1. Sports and Physical Culture	7.50	–	7.50
2. Youth	0.64	–	0.64
3. Scouting	0.56	–	0.56
Total	8.70	–	8.70

In addition to the above 7.5 billion rials fixed investment in sports, some 7.2 billion rials will also be devoted to sports out of the Education Chapter Allocations.

I.L.O.
TEHERAN
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CHAPTER XXVI

STATISTICS AND STUDIES

1. Basic Objectives

Statistics in the Fifth Plan are given the importance of a basic tool of planning at all levels of the socio-economic sectors. For this reason, the proposed objectives for this Plan are such as to meet the various expectations from statistics.

During the Fifth Plan attention will be paid to the existing shortcomings and for the first time an attempt will be made to ensure that compilation of various economic and social statistics emerge from the scattered and independent task of various agencies to become a single collected named national accounts.

Although the compilation of such accounts in complete form will necessitate access to much information and data, they can be started in a simple form and later developed in a more complete form. With this approach, the basic objectives of statistics and studies in the Fifth Plan will be as follows:

a) In the light of practical possibility of compiling national accounts during one five-year productive plan, extraction and publication of simpler tables of these accounts in regular interval series will be the first objectives of the statistics Fifth Plan.

b) The second objective of statistics in the Fifth Plan – compilation, extraction (processing) and publication of basic statistics on population, manpower, migration, employment, unemployment, semi-employment, etc. – will be in the form of regular intervals series.

c) The third objective is to compile, process and regularly publish current statistics of such agencies whose statistics while reflecting the level of their activity will also provide the needs of planning and a means of assessing the achieved results; such as educational, health, welfare and other statistics at national, provincial and local levels.

d) Case studies in depth will be necessary in various fields of planning in order to recognise, assess and determine the policies in these fields.

2. Overall Policies and Courses

In order to provide favourable grounds to attain the above-mentioned objectives:

- division of labour and responsibility will be clearly defined among the statistics agencies of the country;
- statistics will be organised as an independent task in all agencies;
- current statistics compilation procedures will be strengthened at provincial level on the basis of the plan requirements and the needs of the regional planning bureaux;
- definitions and geographical divisions, statistical regions of various agencies will be standardised and adapted so that various statistics could be compared with each other;
- sufficient attention will be paid to research designed to meet the basic requirements of economic and social development.

3. Specific Targets and Plans

Within the framework of the above-mentioned objectives which are general in nature, five specific measures will be taken during the Fifth Plan, as follows:

- Agricultural census, during 1352
- Industrial and mining census, during 1353
- Large-scale sample statistics to determine the statistical requirements of preparation of the Sixth Plan, during 1354
- The ten-year population and housing census, during 1355
- Re-organisation of the current Statistics Organisation of the above four cases, from the first year of the Fifth Plan.

4. Investment and Allocation

Allocations for statistics and studies during the Fifth Plan will exceed 6 billion rials, which will be almost three times larger than that of the Fourth Plan. Table 1 shows components of allocations for statistics and studies under the Fifth Plan.

TABLE 1
STATISTICS AND STUDIES ALLOCATIONS
(Figures in billions of rials)

Title of Plan	Current Allocations	Development Allocations			Total
		Non-Fixed	Fixed	Total	
Compilation and Publication of General Statistics	2.0	1.3	–	1.3	3.3
Compilation and Publication of Special Statistics	1.0	2.2	–	2.2	3.2
Personal Identifies Registration	3.5	1.0	–	1.0	4.5
Research and Studies	4.0	1.0	0.7	1.7	5.7
Total	10.5	5.5	0.7	6.2	16.7